

Austria	Sw 10	Indonesia	Rs 2560	Philippines	Pc 20
Bahrain	Ds 0.65	Israel	Nc 3.50	Pc 100	Rs 1.50
Belgium	Fr 7.45	Iran	I 1.50	S 2.00	Rs 5.00
Canada	C\$1.30	Japan	Y 150	Singapore	S 3.10
China	Y 1.00	Korea	Y 1.00	Spain	Pc 1.25
Denmark	Ds 8.00	Lithuania	L 1.50	Sweden	Rs 1.00
Egypt	Ec 1.00	Lebanon	L 25.00	Turkey	TL 2.00
Faeroe	Fr 8.50	Malta	M 1.50	United Kingdom	£ 1.50
France	Fr 7.50	Monaco	M 4.75	United States	US \$ 1.00
Greece	Dr 1.00	Norway	Nr 7.00	Yugoslavia	Y 1.50
Hong Kong	Hk\$ 1.2	Portugal	Pc 5.00	Zambia	Z 1.00
India	Ru 15	Russia	Ru 1.75		

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

No. 29,976

Thursday July 10 1986

D 8523 B

Cause for optimism
over chemical
weapons, Page 2

WORLD BUSINESS / BUSINESS STATISTICS

EEC shares out US steel quota

Ministers from the 12 European Community countries emerged from seven hours of talks on the US export restraint quota for semi-finished steel products with a new agreement dividing the quota between member countries. West Germany agreed to a 50 per cent share, but will be up to sell slightly more by taking up part of an unallocated reserve of 50,000 tonnes.

The quota will allow the Community as a whole to sell 600,000 tonnes this year, rising to 670,000 tonnes in the first three quarters of next year.

The deal was described "as being the best available" by British Industry Minister Peter Morrison who chaired the talks.

Mid East proposal

Soviet leader Mikhail Gorbachev, in his third and final meeting with French President Francois Mitterrand in Moscow, made a proposal, later described as "exploratory," for a conference of the five permanent members of the UN Security Council to discuss the Middle East. Page 2

Tamil talks agreed

Leaders of the moderate Tamil United Liberation Front agreed to talk with Sri Lankan President Jayewardene as 19 more were reportedly killed in communal violence.

Alfonso to Manila

Argentine President Raul Alfonsin will become the first head of state to visit Manila since President Ferdinand Aquino came to power. He will spend two days there next week. Ban on rallies, Page 6.

West Berlin appeal

West Berlin, which had a record 3,367 asylum seekers from Africa and Asia last month, has asked West Germany to tighten its liberal law on political asylum. Page 2

Smuggling denied

Israel strongly denied allegations it smuggled US technology to build cluster bombs after a Washington ban. Page 4.

Zimbabwe aid cut

The US has postponed indefinitely two aid deals with Zimbabwe worth \$1m following a ministerial attack on US policy towards South Africa. Targets at risk, Page 8.

New Caledonia plan

The French National Assembly approved by 318 votes to 248 a new plan for the future of the Pacific territory of New Caledonia which includes a referendum on independence. Page 15

Chihuahua blocked

Right wing opposition protesters against ballot rigging in last Sunday's state elections blocked the streets of the Mexican city of Chihuahua. Page 4.

Ershad pleads for link

President Ershad of Bangladesh urged India to cede a small corridor with the main part of his country and named a new 26-member cabinet headed by a civilian prime minister.

Nato launches ship

The first Nato financed and owned ship, launched in La Spezia, Italy, will sail under the West German flag, with Italian crew and British officers.

Red Cross chief

The Geneva-based International Red Cross Committee has appointed Swiss diplomat Cornelia Sonmaruga, 34, as its next president.

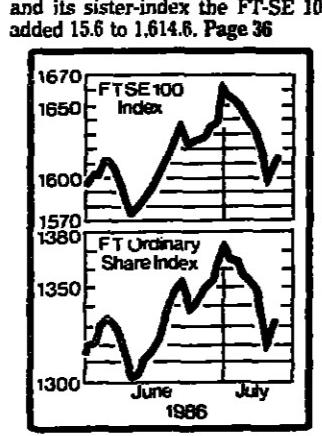
Radiation pill

Soviet scientists claim to have developed a drug which cuts the effects of radiation by one third. Page 15

Safeway faces \$3.5bn hostile bid

DART GROUP, a privately-held US retailing concern, launched a \$3.54bn house tender offer for Safeway Stores, the largest US supermarket chain, with a \$58 per-share proposal that is expected to be strongly resisted. Page 14

LONDON: Equities rebounded while gilties also recovered to end little changed. The FT Ordinary share index picked up 13.8 to 1,331.5 and its sister-index the FTSE 100 added 15.6 to 1,614.8. Page 36



Red Army Faction bomb kills Siemens executive

A LEADING executive of the Siemens electricals group, Mr Karl Heinz Beckurts, and his driver, Mr Eckart Groppeler, were killed when a powerful explosive ripped through their armoured-plated car in a residential suburb of Munich early yesterday morning, writes David Brown in Frankfurt.

The left-wing Red Army Faction (RAF) terrorist group claimed responsibility for the murders, in a seven-page letter left at the scene of the blast.

Authorities in Munich said a sophisticated 10 kg explosive was planted on the route from Mr Beckurts' home in an exclusive suburb south of Munich to the nearby Siemens research facilities.

The remote control bomb sent white gills leaping some 20 to 30 metres into the air, and catapulted the armoured-plated BMW car across the road, killing both men instantly.

The attack is expected to strengthen the hand of hardliners in the ruling conservative parties who are calling for tougher measures against terrorism and domes-

tic unrest in the run-up to the general election next January.

This was the first RAF killing in more than 17 months, although the group has claimed or is credited with over 30 murders since it began its offensive against "the military industrial complex" in 1970.

Mr Friedrich Zimmermann, the Interior Minister, offered a record DM 100,000 (\$46,000) reward for information leading to the killers' arrest.

The attack is expected to strengthen the hand of hardliners in the ruling conservative parties who are calling for tougher measures against terrorism and domes-

squad investigating incidents such as burglary and receiving stolen goods. The inspector was killed outright by falling masonry. Mr Jacques Chirac, the Prime Minister, visited the building soon after the attack and called it "odious." The inspector was the fifth policeman to be killed this year in France.

Mr Beckurts, 56, was the member of the managing board responsible for Siemens' extensive research and development activities, some of which focus on military programmes. The group strongly denies formal involvement in the SDI programme.

The RAF letter said that Mr Beckurts was killed for his role in "Western Europe's biggest, highest concern and the world's third-biggest atomic concern, specifically picking out the group's involvement in the US Strategic Defense Initiative (SDI) for space-based missile defence."

Formerly known as the Baender-Meinhardt group, it is thought to have established links with other terror-

ist groups in Europe - such as Direct Action in France - in its campaign against Nato-related targets.

Mr Beckurts was on a list of RAF "targets" seized at a guerrilla hide-out in a police raid in Frankfurt in 1984.

The letter claiming RAF responsibility said the attack was carried out by the "Mara Cagol Commando" squad, named for the wife of Renzo Curcio - founder and leader of Italy's Red Brigades urban guerrilla group - who was killed in a police raid in 1975.

Jonathan Carr writes: Terrorists have struck a triple blow with their murder of Mr Beckurts. The carefully planned and executed attack seems bound to increase the anxiety of the country's top executives. It may also bring a new surge of de-

Continued on Page 14

Siemens and CGCT, Page 14

FT plans direct input, new UK plant by 1988

By Philip Bassett in London

MANAGEMENT at the Financial Times yesterday announced a £55m (\$82m) package of changes in the paper's UK production which includes direct entry into computers of newspaper copy, building a new printing plant in London's docklands and the loss of some 400 jobs.

FT managers said that the package had been initiated principally by the changes in Britain's national newspaper industry, and especially by the need to match manning levels and costs with the paper's chief UK and overseas competitors.

The principal changes being sought by the company include:

- Full "frontending" - copy set directly by editorial and advertising staff into production computers, rather than being reset on hot-metal linotype machines - to be introduced by January 1 1988.

- All printing and publishing operations to move in July of the same year to a new £35m site in east London, connected by computer and facsimile transmission to the FT's central London headquarters, Bracken House, which will allow larger, sectionised newspapers, with the option of much wider use of colour printing.

- A resulting 404 voluntary redundancies out of the FT's current staff of about 1,500. Severance payments up to an individual maximum of £45,000, plus substantial changed pension benefits, will be paid to a total cost of £22m.

- A complete reorganisation of production bargaining arrangements, with 25 bargaining units having reduced to only three, a multiplicity of pay scales being cut to six, and the introduction of full work flexibility, abolishing traditional union and work-based demarcation lines.

- Extensive and, the company claims, unique for Fleet Street provisions, on redeployment and re-training for those made redundant, including the option of printers switching to other jobs, including journalistic work.

- A claimed unprecedented communications exercise about the changes, including extensive in-house and union briefings, lengthy

Continued on Page 14

Background, Page 9; Associated Newspapers results, Page 20

Howe mission under attack as Kaunda insists on sanctions

BY MICHAEL HOLMAN, AFRICA EDITOR, IN LUSAKA

SIR Geoffrey Howe, the British Foreign Secretary, yesterday formally launched the European Community's South Africa peace initiative and immediately encountered a critical response from President Kenneth Kaunda the Zambian leader.

The Zambian capital was the first stop on Sir Geoffrey's Southern African tour, which includes Zimbabwe and Mozambique.

In a 70-minute private session with Dr Kaunda, Sir Geoffrey outlined the purpose of his visit, which is designed to secure the release in South Africa of Mr Nelson Mandela, the Congress (ANC) leader, and to initiate talks between blacks and whites and whites in South Africa.

Sir Geoffrey later described his talks as "friendly, candid and constructive".

However, in an interview with the Financial Times, shortly before the two men met, Dr Kaunda described Sir Geoffrey's mission as "completely unnecessary."

He renewed his call for economic sanctions against South Africa and repeated his threat that Zambia would "not leave" the Commonwealth if Britain did not back sanctions. He also warned that Zambia would "not allow" Miss Zola Budd, the South African athlete who became a British citizen to run in the Commonwealth Games.

The President forecast "a real fight" with Mrs Margaret Thatcher, the British Prime Minister, when seven Commonwealth leaders meet in London in early August to discuss the report of the Eminent Persons Group, which was appointed by the Commonwealth and which concluded that the South African Government was not ready to negotiate the end of white rule.

Zambian officials said after the two men met that Dr Kaunda's ear-

liest comments and observations had been.

"My task in London," Dr Kaunda said in reference to the planned August meeting, "is to see that the programme of sanctions agreed at the Commonwealth leaders' meeting last October goes through." The package includes suspension of air links with South Africa, suspending the import of fruit and vegetables and a ban on new investment in the country.

Sir Geoffrey's programme, which he stopped short of stopping, was to stop the two men met. Dr Kaunda referred to Mrs Thatcher's opposition to sanctions. "If the British Prime Minister sticks it out on this one, we have got other ways of tackling the matter."

Zambia's withdrawal from the Commonwealth would be a last resort, he said. "I value this organisation so much I will not allow Mrs Thatcher to destroy the Commonwealth easily."

Dr Kaunda did not conceal his doubts about Mrs Thatcher's commitment to ending apartheid, doubts which surfaced in public during a 15-minute exchange between him and Sir Geoffrey before they went into private session.

Equating apartheid South Africa with Nazi Germany, Dr Kaunda recalled Britain's leading role in the Second World War. "We would like to think that when whites suffer for us, act and when blacks suffer you hesitate." Britain had a moral responsibility to help avert "a holocaust" in South Africa which would "generate unprecedented racial hatred."

Zambian officials said after the two men met that Dr Kaunda's ear-

Oil prices drop to lowest levels for 12 years

BY LUCY KELLAWAY IN LONDON

OIL PRICES fell to their lowest levels for 12 years yesterday, with cargoes of Brent on the European spot market changing hands for as little as \$2.65 a barrel. This was about 10 cents below the troughs reached in April and less than a third of spot prices at the end of last year.

Sentiment in the market yesterday was shaken by rumours of a Kuwait cargo being sold on Tuesday to Petrobras, the Brazilian state oil company, for just \$3.50 a barrel.

The Kuwait Petroleum Corporation yesterday denied that any such sale had taken place, although it confirmed that Petrobras had approached the company offering to buy oil at \$5.50, but had been turned away.

At his departing news conference, Sir Geoffrey outlined four further points from which he said negotiations to end apartheid could proceed:

- The present situation in the Republic could not continue, "Apartheid must give way to a non-racial, fully representative society."

- The South African Government should be given credit for some steps towards the removal of apartheid.

- Negotiations will end apartheid more quickly than violence;

- Every opportunity should be taken to initiate dialogue, but the option of peaceful negotiation will not be available indefinitely."

Dr Kaunda, at a press conference earlier in the day, put his case for sanctions.

"If we take the way of sanctions now," he said, "we are likely to influence events in South Africa for the better. If we do not, we are deciding to do nothing about this until the explosion takes place. We prefer to try rather than wait for the explosion."

Black business hints at sanctions support, Page 6; Commonwealth Games blow, Page 14

This time, analysts are less sure of a prompt recovery, at least until after the next meeting of the Organisation of Petroleum Exporting Countries (Opec), to be held in Geneva on July 28. However, few traders believe that Opec will be able to reach any credible agreement to limit individual members' production.

The market is anxious about the degree of Opec overproduction, which is

EUROPEAN NEWS

Poles fight to retain role in management

By Christopher Bobinski
in Warsaw

FREELY ELECTED workers' councils have protested at planned changes in Poland's industrial self-management laws which seriously weaken their legal powers.

The self-management system giving elected workers' councils considerable powers over management decisions was intended to be an integral part of economic reforms mapped out in 1981. In practice, it is only around 10 per cent of Polish companies empowered to employ the system do the councils play an active and independent role. This is backed in some places by the banned Solidarity movement.

However, the most active councils from major industrial plants such as the Warsaw steelworks and the Warsaw shipyard in Sosnowiec have played an important role in defending the economic reform.

At a meeting on Tuesday at the government Planning Commission which is drafting the changes, representatives of councils at the Elana chemical fibre works in Torun and the FSO car factory in Warsaw among others voiced their outright opposition to the changes.

Some political will has been injected into the Geneva negotiations. William Dullforce reports

Climate improves for chemical weapons ban

THE DRIVE towards world disarmament set in motion at the Reagan-Gorbachev summit last November may have had its strongest initial impact on the negotiations in Geneva to eliminate chemical weapons.

Mr Donald Lowitz, the chief US negotiator, recognises that the talks have "become more active in important areas". Soviet officials say the chemical weapons convention is the only one on which the US has so far shown a readiness to negotiate seriously.

Speaking in Bonn this week, Mr Viktor Karpov, the chief Soviet negotiator in the nuclear arms control talks between the US, the West German government and the Soviet Union, once again threw out the idea that a ban on chemical weapons could be achieved this year.

The 42-nation UN conference on disarmament has had chemical weapons on its agenda for almost two decades, and most delegates believe it will take another two to three years to have a draft treaty ready for ratification. But many feel that some political will has now been injected into the talks and that the two main protagonists are finally feeling their way towards agreement.

Big differences remain, not least over US insistence on watertight procedures for verifying compliance with the convention and Soviet demands for controls to prevent the clandestine production of chemical weapon components by private companies in the West.

Western negotiators complain that Moscow will still not spell out its positions on vital issues, while Soviet officials express impatience over the lack of response to their new proposals. But the impression remains that the negotiations are now truly engaged.

Chemical warfare has been overshadowed by the threat of nuclear conflict. Yet the repulsion it generates is hardly inferior to the horror evoked by the thought of nuclear devastation.

Folk memories of the estimated 1m casualties caused by gas attacks in the First World War persist in Europe and in the Soviet Union. One drop on the skin of the colourless, odourless nerve gases since developed can kill a human being in violent convulsions within a minute.

The use of chemical weapons was banned in the Geneva treaty of 1925 but not their production and storage. Less known about the current incidence of chemical arms in the world than about the size of the nuclear arsenals.

Moscow is totally secretive. The US Defense Department believes that some 20 countries possess chemical weapons and claims that the Soviet Union's stocks are larger than those in the rest of the world combined.

Estimates of Soviet stocks vary from 150,000 tonnes to 800,000 tonnes, against some 50,000 tonnes held by the West.

Soviet forces are much better prepared to wage chemical warfare, according to US military experts. They have a larger chemical corps, are better equipped for defence against chemical attack and train more intensively in the use of chemical weapons.

Soviet superiority in chemical weaponry is one reason why the Reagan Administration has asked the US Congress for \$163m (£106m) to finance production of new binary weapons at Pine Bluff, Arkansas. These weapons are artillery shells or bombs containing two chemical agents which become lethal only after they are mixed.

The US has produced no chemical weapons since 1969. It plans to remove the ageing stocks held in Europe as the modernisation programme gets under way. In May, Nato defence ministers approved the programme but the US government still has some hurdles to overcome in Congress if production is to start towards the end of next year.

In Washington, the decision to resume production of chemical weapons is seen as putting pressure on Moscow to negotiate an effective treaty banning the weapons but that argument is put aside by US officials.

There, Mr Lowitz recently identified four key issues which have to be resolved before a convention can be achieved. They are the declaration of existing stockpiles, the elimination of production facilities, the misuse of the chemical industry to produce

deterrents and the right to inspection on challenge.

For the West, challenge inspection is the core of the convention, the "safety net" on which final agreement may hang. "If we fudge this part, we would be putting our vital national security interests at risk," says one Western negotiator.

On the other hand, if we got challenge inspection for chemical weapons, there would be a strong implication that it would do for nuclear weapons as well."

The US wants the convention to include the right for a country to have inspectors sent to any site where it suspects that another country may be cheating.

The right to inspection on challenge would be additional to the systematic control on stockpiles and plants allowed for in other provisions of the convention.

Moscow accepts that some form of inspection in extraordinary or ambiguous cases needs to be allowed for, but it wants acquiescence by the accused government to be voluntary not mandatory. Arguing from national sovereignty, it insists that a country should have the right to refuse inspection.

A proposal from the East Germans and Poles would allow the challenged country time to explain and reassess its challenger and retains the right to refuse inspection if it can be shown that the challenge is

based on false premises.

The US and British view is that countries signing the convention should accept the imposition of a stringent obligation to open up for inspection. Challenge inspection is seen as a deterrent to cheating, "a beast that governments would be reluctant to let out of its cage," as one Western diplomat put it.

The Soviet Union is emphasising what is known in the negotiating jargon as the "non-production" issue, the possible misuse of the commercial chemical industry. It singles out the opportunities that multinational concerns could have to produce chemicals in countries which may not sign the convention.

The agreed aim is to prohibit entirely the commercial production of super-toxic lethal chemicals, but the Soviet Union is especially concerned about the so-called grey precursors, substances with a commercial use that after one more chemical reaction could be turned into weapons.

The example most frequently cited is arsenic trichloride which is used increasingly in the production of integrated circuits and is important for military electronic equipment.

Western negotiators recognise the difficulties of supervising the chemical industry but see them as in no way insurmountable. The declaration issue is stymied over Soviet insistence

that information on stocks or location of plants shall be released only during a 30-day period after ratification of the convention. Even then, Moscow does not want to disclose precise locations for stocks but to declare a gross figure and bring the stocks to a destruction centre. The West wants to know where the stockpiles are.

Most recent progress has come in determining how production plants are to be destroyed or dismantled.

Much work still has to be done to define a production facility exactly and to refine methods of verifying dismantlement, but at least one US diplomat believes it possible to reach agreement on this particular item.

The Soviet side has sketched out a timetable to reach Mikhail Gorbachev's target of eliminating chemical weapons from the world by the end of the century. Allowing 10 years for the destruction of stocks and plants—a hazardous process which cannot be rushed—and at least a year for ratification by signature countries, a convention would have to be agreed by the end of 1988.

That does not leave a long time, given the detail that still has to be negotiated and written into the text of the convention, but the target is possible, provided the political will prevails.

MOSCOW warms to Mitterrand

President François Mitterrand reviewed the state of Franco-Soviet relations with Mr Mikhail Gorbachev in Moscow yesterday and then the two leaders toured the main cosmopolitan training centre outside the capital, Reuter reports from Moscow.

His session with Mr Gorbachev was the third and last in a four-day official visit which has been marked by the personal rapport between the two leaders and which has underscored a return to warmer ties between Paris and Moscow.

French and Soviet spokesmen declined comment on the visit, but West German officials had expected the leaders to focus yesterday on bilateral issues, after concentrating on arms control and East-West affairs.

Soviet officials are clearly satisfied that the Franco-Soviet atmosphere has largely recovered from a chill in the early years of Mr Mitterrand's Socialist administration. He broke off the practice of regular summits in 1981, taking a more critical line toward Moscow than his Gaullist and centre-right predecessors.

The dialogue and what Moscow sees as a "privileged" relationship re-opened when Mr Mitterrand came to Moscow in 1984. Mr Gorbachev went to Paris last October on what is still his only official visit to the West since taking office.

The Soviet leader demonstrated his esteem for Mr Mitterrand yesterday by accompanying him on a trip to Star City, the space training base 25 miles from Moscow.

The French pilot Jean-Loup Chretien who flew aboard a Soviet space craft four years ago is still the only cosmonaut from a Western state. Two French servicemen have recently started training at the base for a second Franco-Soviet space mission.

West Berlin swamped by people seeking asylum

By LESLIE COLLYN IN BERLIN

WEST BERLIN is unable to deal with a flood of Third World asylum seekers and has appealed to West Germany to tighten up the country's liberal law on political asylum "as soon as possible."

A record 3,367 asylum seekers from Asia and Africa entered West Berlin last month from nearby Schoenefeld airport in East Germany. The city is now forced to house the latest arrivals in school gymnasiums and converted shipping containers. Many are sent on to West Germany but only after spending nearly two months in Berlin.

The city has issued an urgent call to the Bonn Government to enact a more restrictive asylum law. The legislation being prepared would shorten the nearly two year waiting period before a decision is reached on political asylum. It would also prevent asylum seekers from obtaining work in West Germany for five years.

East Germany has turned a deaf ear to West Germany's renewed appeals to halt the flow of asylum seekers into West Berlin. The East German Government last year agreed to bar people arriving at Schoenefeld without Danish and Swedish entry visas in their passports from travelling on to Scandinavia. Under pressure it also agreed to stop refugees from entering West Germany if they did not have West German entry

Waldheim rejects anti-Jewish attacks

By Patrick Blum in Vienna

DR KURT WALDHEIM, Austria's new President, said yesterday that he regretted excessive statements made by his supporters against the World Jewish Congress but argued that they had been provoked by the attacks from outside Austria.

He has faced international criticism following allegations first published in Austria and then taken up by the World Jewish Congress and "foreign interlocutors" in Austria's internal affairs. One senior People's Party, which supported his bid for the presidency, attacked often in surprisingly aggressive language the World Jewish Congress and "foreign interlocutors" in Austria's internal affairs.

Leaders of the conservative People's Party, which supported his bid for the presidency, attacked often in surprisingly aggressive language the World Jewish Congress and "foreign interlocutors" in Austria's internal affairs. One senior People's Party politician described the Congress as "a bunch of dissidents" and the election campaign saw a resurgence of anti-Semitism in Austria.

Dr Waldheim defended the People's Party. "It was the reaction against provocative statements made by persons outside my country. I regret all these statements whether they came from abroad or from my own country," he said at his first news conference since his inauguration as President on Tuesday.

He hoped the discussion about his past and anti-Semitism in Austria would end. "I want to put to rest this discussion. It is not good for our country. I consider this debate closed and I don't wish to comment any further," he said.

In a warning to his domestic critics, he said that, with almost 54 per cent of the vote, he received the best result for a presidential candidate for a long time.

His session with Mr Gorbachev was the third and last in a four-day official visit which has been marked by the personal rapport between the two leaders and which has underscored a return to warmer ties between Paris and Moscow.

French and Soviet spokesmen declined comment on the visit, but West German officials had expected the leaders to focus yesterday on bilateral issues, after concentrating on arms control and East-West affairs.

Soviet officials are clearly satisfied that the Franco-Soviet atmosphere has largely recovered from a chill in the early years of Mr Mitterrand's Socialist administration. He broke off the practice of regular summits in 1981, taking a more critical line toward Moscow than his Gaullist and centre-right predecessors.

The dialogue and what Moscow sees as a "privileged" relationship re-opened when Mr Mitterrand came to Moscow in 1984. Mr Gorbachev went to Paris last October on what is still his only official visit to the West since taking office.

The Soviet leader demonstrated his esteem for Mr Mitterrand yesterday by accompanying him on a trip to Star City, the space training base 25 miles from Moscow.

The French pilot Jean-Loup Chretien who flew aboard a Soviet space craft four years ago is still the only cosmonaut from a Western state. Two French servicemen have recently started training at the base for a second Franco-Soviet space mission.

Air France loses FF 30m from strike

A 24-HOUR strike yesterday by Air France ground and flight personnel cost the state airline FF 30m (£2lm) in lost earnings, a company spokesman told Reuter in Paris.

The stoppage, backed by all unions except the communists CGT, was called in protest at a government decision that would open routes to French overseas territories to two private charter companies.

Union officials said 90 per cent of Air France flights were grounded by the stoppage. An Air France spokesman said only 13 long-distance flights to the Americas, the Orient and the Caribbean were scheduled.

Portugal appeals for EEC flexibility

Portuguese President Mario Soares appealed yesterday to the European Community to show flexibility in helping Portugal adapt to membership.

Addressing the European Parliament, Mr Soares urged the EEC not to allow budgetary constraints and the problems of farm surpluses to "frustrate the legitimate expectations of a country which has embraced the ideals of the Community with the willingness and enthusiasm of pioneers."

West Berlin swamped by people seeking asylum

By LESLIE COLLYN IN BERLIN

visas, but excluded West Berlin from the ban.

Usually, many Iranians have swollen the recent asylum figures in West Berlin. Nearly 1,000 Iranians entered the city last month as refugees, including many middle class travellers.

Previously, most of the asylum seekers came from Lebanon, followed by Sri Lankans, Palestinians and Ghanians.

Only a small percentage of refugees are now granted political asylum but the long waiting period and the extensive use of appeals is estimated to cost West Germany nearly DM 1.2bn (£228m) annually.

FINANCIAL TIMES
Published by The Financial Times (Europe) Ltd, Frankfurt Branch, represented by Z. Hugo, Frankfurt/M., and by members of the Board of Directors, F. Barlow, R.A.F. McCloskey, G.T.S. Dame, M.C. German, D.E.P. Palmer, London, Primer, Frankfurter Sonderblatt-Direktions-CGMBH, Frankfurt/M., and by G.S.P. Schulte, Frankfurt/M., Main I, C The Financial Times Ltd, 1982.

FINANCIAL TIMES, ISSN No. 100042, published daily except Sundays and bank holidays. U.S. subscription rates \$38.00 per annum. Second class postage paid at New York, N.Y. and at additional mailing offices. POSTMASTER: Please address changes to FINANCIAL TIMES, 14 East 50th Street, New York, N.Y. 10016.

To: Dept. F59, Abbey National Building Society, FREEPOST, 201 Grafton Gate East, MILTON KEYNES MK9 1DA.
I/I We would like Five Star treatment for my/our money and apply immediately, enclosing a cheque for £15,000 to be invested in a Five Star Account at my/our local branch in London. Please send full details and an application card.

I/I We understand the rates might vary.
I/I We understand that the interest will be credited annually on 1st September to this account.

Full name(s) Mr/Mrs/Miss: _____
Address: _____
Postcode: _____ Telephone: _____ FTS3
Signature(s): _____ Date: _____

**ABBEY NATIONAL
FIVE STAR ACCOUNT**

Get the
Abbey
Habit

ABBEY NATIONAL BUILDING SOCIETY, ABBEY HOUSE, BAKER STREET, LONDON NW1 6XL

AMERICAN NEWS

Mexico election protesters bring city to standstill

BY DAVID GARDNER IN CHIHUAHUA

SUPPORTERS of Mexico's right-wing opposition National Action Party (Pan) blockaded the main streets of Chihuahua at the start of a civil disobedience campaign in protest against ballot rigging in state elections last Sunday.

Traffic was brought to a standstill during Tuesday night in Chihuahua, the state capital, by cars and throngs of demonstrators strung across all the city's main intersections. A parallel demonstration took place in Ciudad Juarez, the state's largest city on the US border ad-

joining El Paso, Texas.

Mr Francisco Barrio, Pan candidate for Governor and Mayor of Juarez, told an impromptu rally outside his party headquarters that, "if Fernando Baeza (the ruling Institutional Revolutionary Party candidate for governor) thinks he can triumph over the will of the people, he is profoundly mistaken."

The ruling party meanwhile continues to claim victory in the elec-

Changes in US law on pornography proposed

By Reginald Dale, US Editor in Washington

MR EDWIN MEESE, the US Attorney General, yesterday formally received a controversial 200-page report from his special commission on pornography, which has already provoked a wide-ranging debate on American attitudes to sex and personal freedom in the conservative climate of the Reagan era.

After a year's work, the commission is proposing sweeping changes in Federal and state laws to stamp out pornography, and the creation of vigilante groups around the country to ward against the sale of sexually explicit material, including magazines and videotapes.

Turnover of the US pornography industry is put at as much as \$8bn a year.

In one of its most controversial conclusions, the commission found a link between violent pornography and sex crimes, and some sexual relationships between women.

Both the main employers' organisations and the Catholic church hierarchy in Chihuahua have criticised the conduct of the election and are giving implicit support to the civil disobedience campaign.

US probes claims on Israeli cluster bombs

BY OUR FOREIGN STAFF

US-ISRAELI relations are again under strain following allegations that Israel smuggled technology from American companies to build cluster bombs.

US officials have launched an investigation into the allegations, which follow recent charges of Israeli espionage against the US.

Subpoenas were issued to officials of nearly a dozen US companies and to several when detonated, to Israel after Israelis at Israel's defence mission in New York City, who

do not have diplomatic immunity.

Israel's Defence Ministry yesterday described the allegations as "unfounded". A spokesman said that the locally produced cluster bombs used Israeli technology and that all equipment purchased from the US for manufacture was legally acquired under licences issued by the State Department.

The US banned the sale of cluster bombs, which released hundreds of smaller explosives when detonated, to Israel after they were reportedly used in the 1982 invasion of Lebanon.

US DOLLAR THE WORLD VALUE \$

IN THE FT EVERY FRIDAY

was welcomed by conservatives and anti-pornography campaigners, it has been bitterly attacked by liberals and civil liberties groups as tantamount to censorship and a violation of first amendment guarantees of free expression.

Mr Barry Lynn, of the American Civil Liberties Union, has denounced the report as "a disgraceful enterprise which hides prudishness and moralism behind a thin veil of social science jargon". Most of the commissioners would be happy to tell all Americans "not only what they can have in their libraries but also how they can behave in their bedrooms," he says.

The report's final presentation comes hard on the heels of a controversial Supreme Court ruling on sexual practices last week, which was seen by many as unacceptably extending the law's reach into their private lives. Almost half the respondents to an opinion poll this week said that they disapproved of the ruling, which established that Americans had no constitutionally protected right to engage in a wide range of sexual practices.

Cuba's inability to re-export at a profit refined oil products bought from the Soviet Union have convinced them that the request for a payment deferral was caused by a genuine shortage of foreign exchange. It is not a bargaining ploy to speed up rescheduling talks,

he said.

Cuba may thus need to revise previous rescheduling arrangements as well as to seek a fresh loan from its bankers this year. Negotiations are bound to be long and difficult because it is not a member of the International Monetary Fund.

A shortfall of sugar exports caused by cyclone damage and

Reagan takes centre stage in tax debate

BY STEWART FLEMING IN WASHINGTON

PRESIDENT Ronald Reagan, White House chief of staff, said that the President will make tax reform the focus of a speech he will give today in the Alabama town of Dothan.

In an interview with US reporters, Mr Reagan stressed that the White House will press for the preservation of individual retirement accounts (IRAs) — tax deductions per-

mitted for savings dedicated to the creation of a personal pension fund. The Senate version of the tax bill would restrict corporations than the \$100bn over five years proposed in the House version.

He indicated that the White House would be willing to see the special top tax rate on capital gains of 20 per cent abandoned and also to accept a bigger shift of the tax burden to corporations than the \$100bn over five years proposed in the House version.

Such concessions would be acceptable in order to achieve the lower top marginal tax rates which the White House

wants.

Mr Reagan also said that the White House is anxious to see the Senate bill's top marginal tax rate for individuals of 27

per cent retained rather than accept the top rate of 38 per cent which is proposed in the House version.

He indicated that the White House would be willing to see the special top tax rate on capital gains of 20 per cent abandoned and also to accept a bigger shift of the tax burden to corporations than the \$100bn over five years proposed in the House version.

Such concessions would be acceptable in order to achieve the lower top marginal tax rates which the White House

wants.

Mr Reagan has left no doubt that the Reagan Administration is hoping that the Federal Reserve Board will move quickly to lower its discount rate and seek to stimulate the economy.

In remarks published yesterday as the Federal Reserve Board's policy-making Open Market Committee met for the second day, Mr Reagan dropped the strongest in a series of in-

creasingly explicit hints from the White House that it believes the time has come for the Fed to move.

"I do not see the inflation coming into the economy that would require real rates of interest to be as high as they are," Mr Reagan said, suggesting that the economy is not as robust as the Administration would like.

He suggested that the recent slump in the stock market, "a correction in a bull market which has not seen its peak yet. I do not say it is going to come roaring right back, but I do think there is no indication of a recession on the horizon," he said.

Baseball team plans to strike out of Chicago

By David Owen in Chicago

THE CHICAGO White Sox baseball team has announced plans to leave the city for a new stadium to be built by 1990 in suburban Addison. The announcement ends months of speculation about the team's future and appears to seal the fate of Comiskey Park, the Sox's current home and the oldest venue in major league baseball.

The White Sox moved to Chicago from Minnesota in 1900, relocating to Comiskey Park in 1910. The team has twice won baseball's coveted World Series but has experienced lean times since 1958, when it last won an American League pennant.

Sox's owners, Mr Jerry Reinsdorf and Mr Eddie Einhorn, have set state and county authorities an end of 1986 deadline to reach "a firm arrangement" for the Addison stadium, to include subsidies and other financial incentives. Meanwhile, they say, "contingency discussions" continue regarding unspecified alternative locations inside the state of Illinois.

White Sox baseball currently pumps an estimated \$100m (£65m) annually into the Chicago economy. Recently, in a bid to keep the team in the city, proposals had been drawn up for a \$150m stadium complex to be built south-west of the Loop, the major business and financial centre. Approval had been expected in November 1986.

Cuba asks to defer \$19m debt payment

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT

CUBA has told its creditor banks that it lacks the resources to meet a \$19m (£12.4m) payment of interest and principal due this week on its \$3.5bn foreign debt. It has asked for a payment to be deferred until mid-September.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A shortfall of sugar exports caused by cyclone damage and

Earlier this summer banks rejected terms put forward by Cuba for a rescheduling of debt falling due this year over 12 years with six years grace. Cuba has not yet made any fresh proposals but is due to meet the Credit Lyonnais-led steering committee of main bank creditors before the end of the month.

Cuba may thus need to revise previous rescheduling arrangements as well as to seek a fresh loan from its bankers this year. Negotiations are bound to be long and difficult because it is not a member of the International Monetary Fund.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Cuba's inability to re-export at a profit refined oil products bought from the Soviet Union have convinced them that the request for a payment deferral was caused by a genuine shortage of foreign exchange. It is not a bargaining ploy to speed up rescheduling talks,

he said.

Cuba may thus need to revise previous rescheduling arrangements as well as to seek a fresh loan from its bankers this year. Negotiations are bound to be long and difficult because it is not a member of the International Monetary Fund.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was especially disturbing because it was due under a previous rescheduling agreement which was not expected to be touched by negotiations to reschedule some \$100m in debts falling due this year.

A further problem has been caused by the weakening of the dollar. This has effectively increased the cost of servicing its debts.

Bankers said the request was



Never again?

The Falklands conflict was the world's first taste of high technology air/sea warfare. As such, it served to confirm the increasingly important role that radar will play in any future wartime engagements.

In fact, immediately the war was over, the Royal Navy was able to present industry with a completely new brief for a surface ship main radar system. And in doing so, invited a number of international companies to compete for the order.

The fact that it was our advanced 3D radar system which was eventually selected is a source of great pride to us here at Plessey.

In the light of the RN's Falkland's experience our new radar system more than meets the necessary requirements in the areas of long range air detection, aircraft control capability and automatic target indication for missiles.

Before long, all Type 42 destroyers, Type 23 frigates and Invincible class aircraft carriers will be equipped with it.

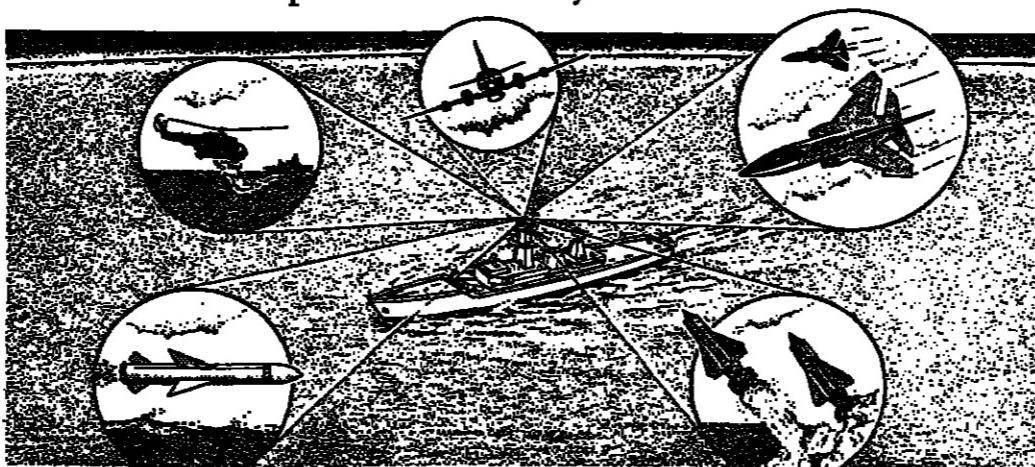
The growing threat.

Having met the RN's current needs, we're now looking to the future. Here, the growing danger is likely to come in the form of complex multi-level saturation attacks.

Working closely with the Ministry of Defence (Navy) we've made it our priority to develop a radical new multi-function radar system.

Our use of gallium arsenide circuitry (an area in which we lead the world) is enabling us to build what's known as a phased-array sensor.

Far from being a pipe dream, it's fast becoming a reality. Combining the functions of surveillance and tracking, it has a computer which instantly controls the radar beam



so it's able to deal simultaneously with multiple threats.

Clearly, phased-array radar is the future of radar technology and Plessey is one of the few companies which have established a stake in that future.

An aggressive policy.

Though we've established a world-wide reputation as a leader in radar development and system design, our activities extend way beyond this.

We're equally energetic in the fields of tele-communications and micro-electronics.

In fact, we have leading edge products in all these areas of operation. An achievement which we feel is directly attributable to our policy of heavy and constant investment in technology.

This, combined with sound strategic planning, means we're constantly identifying market needs and developing new products.

By 1987/88 products developed since the early 1980's should generate some £400 million worth of additional turnover. By 1990, they'll have boosted the figure to £850 million.

Defending ourselves.

We've good reason to point out the enduring strengths of Plessey as a company:

Our technological skills, our long term planning ability and our young entrepreneurial style of management are naturally the envy of other companies.

Right now, we're keen to preserve these unique qualities.

For more than 40 years we've been helping the nation's defences. Whatever happens in the future, we sincerely hope that it's an independent Plessey that continues to do so.

PLESSEY
The height of high technology.

OVERSEAS NEWS

Israeli army film revives debate over Lebanon war

DURING the final days of Israel's withdrawal last summer to the edge of southern Lebanon, the Israel Defence Forces' film unit began making a remarkable documentary drama.

Shot on a shoestring budget in 24 days, as the armoured columns were rolling back, the aim was to produce a training film for officer courses, to depict the moral ambiguities and conflicts of leadership on the battlefield.

Instead, what Col Ely Dory, the producer, and his troupe of soldier-actors really achieved was a powerful portrayal of the war in Lebanon, a conflict which most Israelis who served there saw as a bottomless cesspit from which they were lucky to escape alive.

The soldiers themselves exerted pressure to give the film—entitled Two Fingers from

Sidon in Hebrew and Ricochets in English—a wider viewing to show their friends and relatives what torments they went through. Initially hesitant, Gen Moshe Levy, the Chief-of-Staff, recently agreed to permit its public release.

Shown at the last Cannes Film Festival, the film, much of which was shot in southern Lebanon, has received critical acclaim. But once it is released commercially, it is sure to reawaken much of the debate about what Israel was doing in Lebanon in the first place—and still is, 12 months after officially withdrawing.

What gives the film added significance is the courageous way in which it tackles head on such issues as the death of innocent children caught up in

a brutal war, what the US military likes to describe in its sanitised fashion as "collateral damage."

The backdrop for the film which used local Lebanese as extras while the fighting continues, is provided by a clash of personalities between a young, naively idealistic officer, who is unsure about the war but does not know exactly why, and his battle-hardened unit commander. A real infantry unit stood guard on the cinematic shooting went on.

However, the central political question of why, and how, Israel got involved in Lebanon is avoided completely, leaving the film with a gaping hole in its heart.

The narrative blandly states in the opening sequence: "In 1982, the Israeli Army entered Lebanon to root out terrorist bases there. The action was to be limited in both time and scope. But Israel became entangled in the war and remained fighting in Lebanon for three years."

Given that many of the chief protagonists in the war, most notably Mr Ariel Sharon, the Defence Minister at the time, are still prominent in political and military life, this discretion in an army film is not surprising. But it nevertheless runs counter to much of what emerged during the war and subsequently about the real aims of Gen Sharon and Mr Menachim Begin, the former Prime Minister.

But always there is the confusing situation in which it is almost impossible to distinguish whether the film is saying "good" or "bad," "right" or "wrong."

"This is Lebanon," the young commander tells the unit lieutenant straight out of officer college. "Forget what you learnt in training. It's different here."

The grudging acceptance of the fact that the other side are fighters also, even if they sometimes masquerade as dark-eyed beauties who flirt to deceive the patrolling Israelis, comes through. So does the unresolvable problem of split communities such as the Druse, many of whom serve in the Israeli Army and fought in Lebanon against their fellows.

The consequences of the war on the morale of the army, a largely conscripted force which mirrors the range of public opinion in Israel, has been far-reaching. "What lessons have we learnt from Lebanon?" the Israeli constantly asks.

That such a film should have been made is one of the many paradoxes of the war. It remains remarkably honest to the end. "Are you glad it's all over?" a television reporter asks the unit commander as the final pull-out begins.

"In a way, it's not over," he replies. "Everybody's carrying this war home."

• A clip from the film (right)

**S African black business group hints at support for sanctions**

BY ANTHONY ROBINSON IN JOHANNESBURG

THE pro-sanctions bandwagon received support from an unexpected source yesterday when the president of South Africa's leading black business organisation revealed that black businesses were "under increasing pressure to align themselves with other black organisations in favour of disinvestment."

Addressing the annual conference of the National African Federated Chambers of Commerce and Industry (Nafoc) in Cape Town, its president, Dr Sam Motswuene said it was time for the organisation to review its existing policy. This accepts some economic pressure as a non-violent alternative to dismantling apartheid but stops short of supporting the withdrawal of foreign investment and

disinvestment. "We are not going to be a party to this council. We do

not think it is of any use to be members of an advisory body which are not represented at the highest levels of government," he added. Nafoc, which represents over 15,000 black businessmen, is one of the black organisations being wooed by President Botha to take part in the council whose details will be fleshed out at the extraordinary National Party congress in Durban on August 12 and 13.

Last weekend Chief Mangosuthu Buthelezi, leader of the Zulus, said that he, almost single-handed, had been still prepared to "look seriously" at the council but he hedged any eventual acceptance with strict conditions including the prior release of Mr Nelson Mandela, the ANC leader and political exiles.

NSW oil men extend strike

BY ALAIN CASS, ASIA EDITOR

AUSTRALIA and the US will meet next month to draw up a new defence arrangement following the collapse of Anzus, the three-cornered treaty with New Zealand.

Mr George Schultz, the US Secretary of State, confirmed that Washington was pulling out of the defence treaty after a meeting with Mr David Lange, the New Zealand Prime Minister, in Manila last month at which it became clear that the differences were irreconcilable.

The US suspended its participation in Anzus after New Zealand banned American nuclear powered and armed warships from entering its ports two years ago.

Mr Bill Hayden, the Australian Foreign Minister, said in Hobart yesterday that he and Mr Kim Beasley, the Defence Minister, would meet Mr Schultz and Mr Caspar Weinberger, the US Defence Secretary, on August 10 and 11 to begin negotiations.

There is, nevertheless, growing concern in Australia and the US at the rift in Anzus given the Soviet Union's growing military presence in Asia and its efforts to sign fishing agreements and open diplomatic relations with Pacific island countries.

Australia, US plan defence pact

BY ALAIN CASS, ASIA EDITOR

AUSTRALIA and the US will meet next month to draw up a new defence arrangement following the collapse of Anzus, the three-cornered treaty with New Zealand.

Mr George Schultz, the US Secretary of State, confirmed that Washington was pulling out of the defence treaty after a meeting with Mr David Lange, the New Zealand Prime Minister, in Manila last month at which it became clear that the differences were irreconcilable.

The US suspended its participation in Anzus after New Zealand banned American nuclear powered and armed warships from entering its ports two years ago.

Mr Bill Hayden, the Australian Foreign Minister, said in Hobart yesterday that he and Mr Kim Beasley, the Defence Minister, would meet Mr Schultz and Mr Caspar Weinberger, the US Defence Secretary, on August 10 and 11 to begin negotiations.

There is, nevertheless, growing concern in Australia and the US at the rift in Anzus given the Soviet Union's growing military presence in Asia and its efforts to sign fishing agreements and open diplomatic relations with Pacific island countries.

• The Australian Labor Party yesterday defeated an attempt by left-wing party members to have Australia ban US nuclear warships from its ports, AP writes from Hobart. A resolution put to the party's biennial policy-making conference, would have aligned Australia with New Zealand's policy of banning US nuclear ships.

The proposal was defeated on a simple show of hands. No formal count of the vote was made. Policy decided on at Labor Party conferences is binding on the Federal Government.

Alain Cass considers prospects for co-operation in the region

Summit will be test of Asean unity

Manila last week to share oil reserves in a time of crisis. Asean's economies remain competitive rather than complacent.

The region is ripe with trade barriers and self-defeating investment restrictions on ownership of land and equity which deter foreign investors. Inter-Asean trade, although growing, still only accounts for 21 per cent of total trade, far lower than the corresponding figure in the European Community.

Judging from the palpable sense of frustration among its foreign ministers last week even Asean has few outright admirers. There are those, however, who maintain that the organisation has fostered stability and achieved a remarkable degree of consensus, especially in foreign affairs. Its critics also too often attribute to Asean objectives which it neither aspires to nor can achieve.

Mahathir Mohamad, Malaysia's Prime Minister, rejects the view that Asean should become a common market. This would be neither practical nor desirable given the widely differing nature and size of the six countries, he believes.

Dr Mahathir has never been an enthusiastic supporter of rationalising regional economic development as his own much-criticised Malaysian car project demonstrates. But his view that Asean should concentrate on moulding a political consensus and remain highly selective in promoting economic integration is widely held and is likely to be fuelled by the severe economic problems facing Malaysia's partners.

Meanwhile, domestic airline pilots who announced a 24-hour stoppage from midnight Tuesday have postponed a strike for the day to allow for negotiations. Dockworkers who staged a nationwide three-day strike last week have also returned to work with a warning that they would stop again if the superannuation claim were rejected.

The index of Australian consumer sentiment dropped to 91.6 in June from 94.8 in May and 93.0 in June, 1985, according to the latest consumer survey by Melbourne University's Institute of Applied Economic and Social Research and The Ray Morgan Research Centre.

The immediate hurdle blocking a third Asean summit is the continuing claim by the Philippines to the Malaysian state of Sabah. The claim is enshrined in the suspended Philippines constitution. Asean officials are hoping that Mrs Aquino will have it amended or deleted from the new constitution now being drafted clearing the way for a negotiated settlement of the dispute.

President Aquino's broader need for political and economic support, officials hope, will provide a more focal point for greater unity within Asean which groups Thailand, Indonesia, Malaysia, the Philippines, Singapore and Brunei.

The need for co-operation in south east Asia has never been greater. The region is no longer cushioned by the wealth of economic growth. The collapse in commodity prices and the

world recession have seen to that.

The immediate future of countries like Singapore and Indonesia is both apparently secure five years ago—is filled with uncertainty. Rising protectionism in the West and the fall of oil prices are placing considerable strains on their fragile political systems.

The revolution in the Philippines has raised a question mark over the future of the US bases which are likely to become the main focus of left-wing opposition now that President Ferdinand Marcos has been deposed.

Beyond that the continued presence of the Vietnamese bases at Da Nang and Cam Ranh Bay has increased markedly in the past two years heightening regional concern over the future of American installations at Subic Bay and Clark Air base in the Philippines.

Asean's critics say that the organisation has been impotent in reversing Russian encroachment and has failed to make any significant headway in ending Vietnam's six-year-old occupation of Kampuchea. They also point to the fact that the organisation played virtually no role in resolving the crisis in the Philippines.

Asean attempts at economic integration have proved equally disappointing according to its critics. In spite of agreements such as the one concluded in

Peking jails Hong Kong businessmen

By Robert Thomson in Peking

TWO Hong Kong businessmen have been sentenced to imprisonment for bribery, while a senior Communist Party official who took the bribes has been given a life sentence in a case that diplomats consider is intended as a warning to foreign businessmen.

The Chinese Government has been conducting a campaign against corruption in high places since early this year, but this is the first case of its kind involving foreigners. The two businessmen, who were not identified, were given jail terms of six months and a year respectively.

Diplomats expected further public trials of senior officials after the publication last week of a tough speech by Hu Yaobang, the Communist Party general secretary, who said that party members lacked principles and "vulgarity" ruled.

The senior party official, Yu Tienmen, 54, was found guilty by the Shanghai Intermediate People's Court of accepting bribes worth 30,000 yuan (\$6100). The official Chinese news agency, Xinhua, reported that Yu had told executives of the Shanghai Foreign Trade Department to give "preferential treatment in prices" to a Hong Kong businessman negotiating the export of steel billets in exchange for bribes.

Aquino bans opposition rallies

BY SAMUEL SENOREN IN MANILA

MRS CORAZON AQUINO, the Philippine President, acted swiftly yesterday to reassert her authority in the wake of a failed attempt to seize power in Manila last Sunday by Mr Arturo Tolentino, who was the vice-presidential running mate of deposed President Ferdinand Marcos in the elections last February.

Acting on the advice of her Cabinet, Mrs Aquino banned rallies and demonstrations which have been staged in defiance of her Government every Sunday for many weeks now to press for the return to power of Mr Marcos, who lives in exile in Hawaii.

"This Government," she announced on television, "shall no longer allow rallies and demon-

strations that are designed to further the rebel cause."

In addition, Mrs Aquino required Mr Tolentino to pledge loyalty to the constitution and to her Government which he had sought to replace. It was not known if Mr Tolentino, who has not been charged yet for his action, would abide by Mrs Aquino's orders.

Mrs Aquino's Cabinet was still undecided on what to do with Mr Tolentino but it is widely perceived that if he refused to take the oath of allegiance, he would be charged in court with rebellion.

To make sure he does not flee, his passport and those of 24 others suspected of plotting the coup, were cancelled by the Ministry of Foreign Affairs

which promptly notified foreign missions in Manila. Mr Tolentino also faces a pile of bills that the Manila Hotel, which he and his followers seized, plan to send him.

A hotel official said the hotel lost \$500,000 in revenues during the three days it was unable to operate, on top of hundreds of thousands of dollars more in damage to equipment and fittings.

Mrs Aquino also announced that her government was keeping track of the activities of key supporters of Mr Marcos. She had not discussed the fate of senior military officers who joined the coup attempt. However, Mr Juan Ponce Enrile, the Defence Minister, said no charges would be filed against the soldiers.

Indonesian agriculture praised

A WORLD BANK official praised Indonesia on Tuesday for its success in agricultural development, AP-DJ reports from Jakarta.

"From a major buyer a few years ago with imports of 2m to 3m tons of rice every year, Indonesia has become self-sufficient in the staple product," Mr David William, deputy director of the World Bank office in Jakarta, told a press seminar on the bank's 1986 world development report.

The bank noted in the report

that Indonesia had succeeded in avoiding serious disruption to its agriculture during the oil boom of the 1970s and early 1980s, while in Nigeria, the oil boom led to severe disruption of the agricultural economy and a large exodus to the cities.

Though agricultural growth in Indonesia slowed in the mid-1970s, rice production grew by 6.7 per cent each year from 1978 to 1984, the report said. Mr William attributed Indonesia's agricultural success largely to subsidised credits extended to farmers to buy fertilisers. He suggested that Indonesia should keep its rice output increase at a rate corresponding to its population growth rate of 2 per cent a year.

Mr Ahmad Affandi, the Agriculture Minister, said earlier that Indonesia's rice production would rise by only 0.18 per cent this year from around 28m tons last year. The increase rate from 1984 to 1985 was 2.3 per cent.

Bayerische Vereinsbank Salomon Brothers International Aktiengesellschaft

CSFB-Effectenbank AG

Baden-Württembergische Bank Aktiengesellschaft

This announcement appears as a matter of record only. The Bonds have not been registered for offer or sale in the United States of America or to nationals or residents thereof or to other U.S. persons.

Deutsche Presse-Agentur

WORLD TRADE NEWS

China hints at tariff cuts to ease Gatt entry

BY ROBERT THOMSON IN PEKING

CHINA HAS indicated that it is prepared to lower tariffs to smooth the way to reinstatement as a member of the General Agreement on Tariffs and Trade.

Chinese officials also said that lobbying individual countries since it announced in January that it intended to seek the reinstatement of its seat, which was lost in 1950, when Taiwan, the China then recognised by the Gatt, withdrew.

One European diplomat said the application was likely to be a "minefield," with argument looming over whether China was applying for new membership or simply resuming a vacated seat.

The Chinese have consistently maintained that they are resuming their seat, and another European diplomat said this showed they were taking "extreme positions" because officially they had left the Gatt.

At the core of the membership question is whether a government overseeing a centrally-planned socialist economy will be prepared to make the concessions needed to satisfy a two-thirds majority of the Gatt's 90 members.

While Mofert indicated yesterday that China would be forced to cut tariffs, US analysts said: "Tariffs simply don't govern foreign trade in China." Instead, central decision makers restrict the flow of goods will.

As well as convincing Gatt members of China's suitability, Peking could find that the issue is politically sensitive at home. Ideological debate continues within the Communist Party over whether the economic reforms have gone too far too fast. Diplomats say China has been

European worries wind up tension for fibre pact talks

Anthony Moreton sets the scene for the coming MFA negotiations in Geneva



Reagan—"be tough"

OVER the next 10 days delegations from more than 50 countries will be returning to the sticky heat of Geneva to put the finishing touches to an extension of the Multi-Fibre Arrangement (MFA).

The talks have been given further edge by the US's increasingly tough attitude to textile imports and growing production in Europe over falling prices in the textile industry and a surge in imports from low-cost producers.

The MFA, which began life in 1974 and has been twice extended, governs a large part of world trade in textiles and clothing.

It has been called "protectivist" by Third World pro-

ducers though its intention was to allow an orderly restructuring of the textile and clothing industries of the West before the free movement of goods was allowed to take place.

The low-cost producers initially wanted to end the MFA and gain free access to western markets, a course that the US and Europe resolutely opposed.

The Third World is now fighting hard just to improve the present MFA terms in the hope that China would be forced to cut tariffs, US analysts said: "Tariffs simply don't govern foreign trade in China."

Instead, central decision makers

are prepared to make the con-

cessions needed to satisfy a two-

thirds majority of the Gatt's 90

members.

While Mofert indicated yes-

terday that China would be forced to cut tariffs, US analysts said: "Tariffs simply don't govern foreign trade in China."

Instead, central decision makers

want to make the con-

cessions needed to satisfy a two-

thirds majority of the Gatt's 90

members.

Only a few days ago Hong Kong, the most important of the producers, was forced to sharply restrict its exports to the US. Now the squeeze is being put on South Korea.

The EEC is following suit, hoping to pick off the big pro-

ducers in the belief that the small fry will then be more amenable to persuasion.

The EEC, which negotiates on behalf of all 12 member-countries, can take a firm line

because conditions have sud-

dently turned sour in Europe. Falling production and a surge of textile imports have caused serious concern over the past three or four months.

The downturn in production appears to have begun around March and been common to most countries. "We had a good start to the year," says Mr Frank Lumb, managing director of Sirdar, a hand-knitting company in Lancashire. "But around Easter there were distinct signs of a fall in orders."

Mr Josef Huitter, president of Enka, German textiles operating arm of the Dutch Akzo giant, from his Wuppertal office, reports worsening conditions.

The story is repeated further south, in Italy. Mr Aldo Melucci, managing director of ICI Fibre, says from Milan: "The severest of the industry, such as woolens around Prato, and some companies using cheap man-made fibres, have been

having a particularly difficult time.

The shine of 1985 has gone. Three factors have caused the change: the weakening of the US dollar; falling purchasing power in the Middle East as oil revenues dropped; and the particularly severe winter weather, especially in northern Europe.

By Easter sterling had appreciated 27 per cent against the dollar over the previous 12 months; the German mark by 23 per cent.

The currency movements have also played a significant part in the downturn. Depressed spending power in the Middle East has hit exports.

And within Europe, buying clothes is not only highly price conscious but also highly weather sensitive.

The early months of this year were particularly cold and depressing in much of Europe. Many retailers who had stocked up following projections of strong growth were caught with large amounts of stock.

In an effort to shift goods from the counters and store rooms they held of placing new orders.

"There can be no question of making any further con-

cessions," says Benson Turner, a leading UK wool concern, says. "Clothes purchasing is very price conscious."

The other two factors have also played a significant part in the downturn. Depressed spending power in the Middle

East has hit exports. And within Europe, buying clothes is not only highly price conscious but also highly weather sensitive.

The early months of this year were particularly cold and depressing in much of Europe. Many retailers who had stocked up following projections of strong growth were caught with large amounts of stock.

In this context, the two sides reviewed the progress so far in the Three Year Japanese Action Programme to increase imports which started a year ago. While the Community is pleased at the measures taken on, for example, pricing open the Japanese public procurement market and simplifying product testing procedures, it wants to see speedier action.

many manufacturers by surprise. They had only just emerged from the recession, which began as a result of the second oil price rise of the 1970s, and were beginning to feel that the recovery would lead to a return to the good old days.

The discovery of 1986, according to Mr Ian MacArthur, director of the British Textile Confederation, is that "the recovery is fragile and highly volatile."

Against this background the negotiators in Geneva face a difficult task.

They have to balance the aspirations of the Third World producers who believe their only hope of prosperity is to have greater access to Western markets, with those of European producers who now face the real possibility of production turning down again.

European industry is desperate to avoid the possibility that a new MFA could accentuate any downturn in the textile cycle.

In an effort to stiffen the resolve of the Brussels negotiators Mr MacArthur has told them that the changes in contracts are written in US dollars and as the dollar went down a surge of the now very much cheaper Far Eastern goods began to flow into Europe.

When the dollar was immensely strong, between 1983 and

1985, Far Eastern goods had been diverted into the US. Imports rose to squelching point, to 25 per cent in 1985, 29 per cent in 1984 and 10 per cent this year. Carried by their own momentum the growth has resumed: up 23 per cent in the first five months this year.

Now it is Europe's turn. Producers who confidently predicted that they could compete with Far Eastern landed prices from British factories, when sterling stood at around \$1.10 to \$1.30, are beginning to have doubts as the dollar slips below \$1.50 to the pound.

Britain has taken a hammering. Imports jumped by 21 per cent in April and those of clothes alone by 40 per cent.

"There are clear signs that many retailers have gone back to their traditional suppliers in the Far East," says Mr Anthony Turner, chief executive of Benson Turner, a leading UK wool concern, says. "Clothes purchasing is very price conscious."

The other two factors have also played a significant part in the downturn. Depressed spending power in the Middle

East has hit exports. And within Europe, buying clothes is not only highly price conscious but also highly weather sensitive.

The early months of this year were particularly cold and depressing in much of Europe. Many retailers who had stocked up following projections of strong growth were caught with large amounts of stock.

In an effort to shift goods from the counters and store rooms they held of placing new orders.

"There can be no question of making any further con-

OECD cuts concessionary rates for export finance

BY OUR TRADE EDITOR

A FURTHER large reduction in concessionary rates of interest on fixed-rate export finance for capital goods will come into effect next Tuesday.

Following a fall in commercial interest rates, the minimum rates offered by member countries of the Organisation for Economic Co-operation and Development will be cut by 1.4 percentage points.

This adjustment follows a cut of 1.05 percentage points in January.

From next week buyers in

Europe renews attack on Japanese exports

BY PAUL CHEESERIGHT IN BRUSSELS

THE European Community yesterday resumed its diplomatic attack on Japan in the face of the continuing rise in Japanese exports.

Community concern, a constant feature of contacts between the two for the past decade, was expressed during three days of talks between the European Commission and a Japanese delegation to Brussels led by Mr Keishi Teshima, vice-minister of Foreign Affairs.

The Community's main preoccupation is the trend in

Japanese exports this year. Over the first five months of the year, expressed in dollar terms, they rose by 53 per cent to the Community market.

Commission officials said Japanese exports to the US had risen by only 23 per cent.

Mr Leslie Fielding, who led the Commission side in the talks, pointed out to Mr Teshima that the number of Japanese cars sold in Europe during those first months of the year was 41.7 per cent up on the first five months of 1985.

In previous years, this situation would often have led to a Community demand for Japanese export restraint on key products. This time, in fact, the emphasis was the other way round, with the Commission putting further pressure on Japan to open up its domestic market.

In this context, the two sides reviewed the progress so far in the Three Year Japanese Action Programme to increase imports which started a year ago. While the Community is pleased at the measures taken on, for example, pricing open the Japanese public procurement market and simplifying product testing procedures, it wants to see speedier action.

Moscow prepares for a pizza parlour invasion

BY ALAN FRIEDMAN IN MILAN

THE Gorbachev era has brought proposals on arms control, the sight of Mrs Raisa Gorbachev in Yves Saint Laurent clothes, and soon... Moscow's first foreign fast food chain.

A company called Ital New Food Trading appears to be in the final stage of negotiations with Soviet authorities to open "typical Italian food" outlets on the streets of Moscow.

The Rome company will not say how many outlets are planned, but it appears that

the deal could be worth \$8m and will involve up to 36 fast food restaurants, to be called Springtime.

Mr Ennio Pagnossin, director general of Ital Trade, an agency promoting products from southern Italy, is full of national pride. "We have defeated competition by McDonald's and Pizza House," he declares. "This fast food project shows the validity of the products from our southern region... olive oil, tomatoes and flour."

Anglo- THE QUIET AMERICAN.



When our friends at Rolls-Royce dubbed the RB211-powered 757 "The Quiet American" they didn't give due credit to the aircraft's British heritage. One quarter of her is built in the United Kingdom.

An aircraft's engines alone are worth nearly as much as the wings they're mounted on. In addition, advanced composite structures built in Northern Ireland and avionics made in Great Britain are integrated into the 757.

Boeing and U.K. industry - a quiet partnership.

BOEING

UK NEWS

'Expensive' new Rover aimed at business buyer

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

AUSTIN ROVER'S new executive cars, the Rover 800 range, developed in co-operation with Honda of Japan, are launched today at prices between £11,820 and £18,795, which some major fleet buyers consider to be too expensive.

Mr Harold Musgrave, chairman of the state-owned BL subsidiary, insists, however, that the new Rover "is a beautiful car, a very expensive car - but worth every penny." He has urged dealers not to give any discounts except to large fleets and warned them that supplies would be restricted for some time.

The Rover 800, formerly code-named the XX, is the result of the first-ever joint venture in which two car companies - Austin Rover and Honda - have jointly planned, designed, developed and manufactured a car.

It marks the completion of Austin Rover's £1bn six-year model replacement programme. Mr Musgrave says that the Metro, the first car in the programme, was the company's "car for survival" after the troubled 1970s. "Today the Rover 800 is equally important. It is the car for our future prosperity."

Austin Rover hopes the car will create enough excitement and interest to bring people back into its UK showrooms and help to boost its

new car market share, which has been flagging this year.

Business buyers are expected to account for about 85 per cent of the Rover 800 sales and fleets may give the newcomer an enthusiastic reception. However, they stress that Austin Rover cannot afford to let production quality slip.

The Rover 800 range is planned back to the US market where it will compete in the potentially lucrative European luxury car sector. The privately-owned US import company already has orders for 30,000 cars worth £500m from the 90 dealers it has so far recruited.

Austin Rover's capital investment for the 800 at the Cowley, Oxford, factory where it is being built will be relatively modest £140m. It has the capacity to produce 1,500 a week on two shifts - roughly 60,000 a year. But more could be produced if needed.

Although the more expensive 800 models will use a new Honda V6 engine, Austin Rover claims that across the range the European content of the cars is 91 per cent, representing "a higher local content than any other model range made in the UK by other manufacturers."

Austin Rover will assemble the Honda version, called the Legend and launched in Japan late last year, alongside the 800 at Cowley.

Page 12

for the Japanese group to sell through its UK dealer network from next autumn.

Honda will reciprocate by building the 800 for the UK group in Japan for sale in that country - the second largest car market in the world - Australia and the Far East.

The Rover 800 range is planned as a serious rival to specialist producers such as Audi, BMW, Mercedes, Saab and Volvo in the executive sector. The range consists of six models of which four are launched today.

They will be the 820i, using Austin Rover's new M16 lean-burn 2-litre engine costing £11,820; another 2-litre version, the 820Si at £13,245; the 825i, with Honda's 2.5 litre V6 unit at £15,870; and the top-of-the-range Sterling at £18,795.

Mr Roy Foster, managing director of the Genco car leasing and fleet management group, echoed the comments of several other major fleet buyers yesterday when he suggested: "They are very ambitious with their pricing. They are certainly going for broke with the Sterling's price."

Only about 1,000 Rovers have been shipped to dealers in time for the launch.

Rover seeks Japanese halo,

Minister ready to take action on air crash compensation

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

THE UK may take unilateral action to raise the level of compensation for air crash victims, if higher levies cannot be agreed internationally.

Mr Michael Spicer, Minister for Aviation, told the Air Transport Users' Committee in London yesterday that the current international compensation limits were too low - roughly £12,000 for death.

"We would like to see this limit raised to about £76,000, which is the same we already apply to UK airlines as a condition of their air transport licences.

The problem is that not enough countries have ratified the agreement to bring the higher compensation limit into force internationally. The UK has recently raised its concern with other countries and we have made it plain that the present arrangements cannot continue indefinitely.

If there is no prospect of other countries signing in the foreseeable future, we would have to consider all the alternatives open to us, including the possibility of requiring all airlines who use our airports to provide compensation well above the present limits.

Only about 1,000 Rovers have been shipped to dealers in time for the launch.

Rover seeks Japanese halo,

Some small, urgent consignments, however, will continue to be carried by air where possible.

BA says that in the first year, the Maastricht centre will handle more than 30,000 tonnes of cargo, worth more than £20m in revenue.

One reason for using road services to and from the Continent is that the present generation of narrow-bodied aircraft used for many short-haul European services, such as Boeing 737s, do not have the big cargo holds that wide-bodied aircraft can provide.

We have a duty to ensure that the victims of air accidents and

White powder gives chemical companies golden profits

TONY JACKSON
examines a worldwide race to cash in on the production of titanium dioxide.

TITANIUM DIOXIDE is a white powder, but it could as well be gold dust for those chemical companies lucky enough to produce it. Other chemicals struggle along under a burden of overcapacity and price weakness, but titanium dioxide suffers from under-supply.

As a result, says Du Pont, the US chemical group which is the world's leading supplier, titanium dioxide is currently "the single most profitable product we have, based on after-tax income." That is a striking claim from the world's biggest chemical company, and also illustrates why customers for titanium dioxide - the paint industry in particular - complain bitterly about what has happened to the price.

But although the past 15 months have seen the UK price of titanium dioxide rise by a third, according to the UK Paint Makers Association, this week saw a reminder that the good fortune of producers cannot last for ever.

ISK, the Japanese chemical group, is to build a 36,000-tonne titanium dioxide plant in Singapore, following up with another of the same size as soon as the market justifies it.

That brings new capacity announced this year to more than 300,000 tonnes worldwide. When all the new plants are completed, from 1989 onwards, they will push up world capacity by about 10 per cent

and jeopardise the careful balance

for about half of the world market of some 2.9m tonnes a year.

Manufacture involves two processes - sulphate or chloride - each of which are environmentally fairly unpleasant. The industry mostly uses as its raw material low-grade titanium ore, with a high iron content. To get rid of the iron, the ore can be reacted with sulphuric acid, which produces iron sulphate, or with chlorine, producing iron chloride.

Emission of iron sulphate has caused particular distress to environmentalists, and sea pollution in the north east of England from Tioxide and SCM.

Closure of sulphate plants has been a major reason for the present shortage of supply. Mr John Pritchard, head of Tioxide, said: "In the early 1980s, environmental pressures were forcing up costs at a time when there was serious overcapacity anyway."

The industry's present position is supremely comfortable, although it is fair to point out that the upturn, two years ago, came after a lean 15 years in which a number of producers occasionally dropped into the red.

At present, growth in demand - about 2 per cent a year, by common consent - is being met by what is known in the trade as "de-bottlenecking," or squeezing more output from existing plant.

Pressure on sterling forecast to increase

BY WALTER ELLIS

STERLING is likely to come under severe downwards pressure between now and the next general election as the Government becomes drawn into a spiral of rising inflation and a deficit on the current account of the balance of payments, according to Mr Roger Bootle, chief economist of Lloyd Merchant Bank. This prospect, he says, is in consequence of a "severe tactical mistake" in the Government's economic management.

Mr Bootle, writing in the July issue of Lloyd's Economic Strategist, notes that the Government has opted to hold firm the sterling exchange rate in order to force down inflation.

"If the rate of growth of earnings subsidies in response to this policy pays dividends, but if it does not, which is what we (at Lloyd's) expect, the Government faces a double difficulty.

"On the one hand, inflation will be trending up (admittedly from a low level) in 1987, and on the other,

output will be held back by the effects of a high exchange rate."

In retrospect, Mr Bootle writes, it might have been better for the Government to have encouraged the pound to fall by resisting earlier upwards pressure on interest rates while giving way more easily to recent downward pressure.

The result would (have been) higher inflation in 1986 and early 1987, but it could set up a favourable environment for an election in either late 1987 or early 1988. Inflation could then have been on a falling trend... and the prospects for output and employment would have benefited from improved competitiveness."

Mr Bootle argues that there may still be time for such a strategy. The plan, in this event, would be for the Government to delay calling an election until as long as possible into 1988. But he does not believe the Prime Minister will adopt such a plan. She is, he says, committed to low inflation.

Vickers in talks to buy Royal Ordnance factory

BY LYNTON MC LAIN

VICKERS has started talks with the Ministry of Defence in an attempt to buy the Royal Ordnance main battle tank factory at Leeds. Vickers declared its "serious interest" in buying the factory as Lord Trethgarne, the minister for defence procurement, told a local union leaders and local MPs, led by Mr Denis Healey, MP for Leeds East, that he hoped an order for Challenger tanks could be placed within a few weeks.

Royal Ordnance Leeds is running out of work on its existing Challenger tank contracts. Lord Trethgarne said no decision had been taken on where the order would be placed.

Vickers is the only other producer of main battle tanks in the UK, but the MoD has not asked the company to bid for the Challenger contract. This raises the possibility of the Leeds factory under Vickers' ownership gaining the order for tanks to equip a seventh British Army regiment.

Vickers' interest in buying the Leeds factory was confirmed on

Tuesday, exactly three weeks after the Government postponed the privatisation of Royal Ordnance. The MoD said at the time it would consider alternative options to flotation, including selling individual ordnance factories to the private sector.

"We are obviously interested in buying Leeds and would be stupid not to be interested," Vickers said. "We are not meaning about. These are serious negotiations with the Ministry of Defence and this is a serious bid, but we do not want the Leeds factory at any price."

Vickers said other aspects of some of the problems facing Royal Ordnance and the Leeds factory were being discussed with the MoD.

"The question of the future of the Leeds factory and of the ownership of the intellectual property rights for the Challenger tank design is being covered in the negotiations," Vickers said. The company would try to "do something positive with the Leeds factory" if it gained ownership.

Mining area aid rises

BY MAURICE SAMUELSON

THE GOVERNMENT has doubled to £40m the amount of money which the coal industry can spend on stimulating alternative employment in areas hit by the rundown of the mines.

Announcing the increased funding, Mr Peter Walker, Energy Secretary, said: "We hope we are plan-

ning industrial acorns into the mining areas which will grow into mighty oaks."

Sir Ian MacGregor, Coal Board chairman, said the board's job creation arm, British Coal Enterprise, now had enough cash to create 10,000 job opportunities in the coming year and to continue expanding.



UK NEWS

Dealers object to limits on gilts trading

BY GEORGE GRAHAM

BRITISH and American securities groups are unhappy over the Bank of England's decision not to relax the limits on trading in government gilt-edged securities outside the London Stock Exchange in the next few months.

The Bank is continuing to forbid dealers to do more than 25 per cent of their gilt-edged trading outside the stock exchange, despite hopes that this restriction would be relaxed from July 1 in the run-up to October's Big Bang, when the gilt-edged market moves outside the stock exchange entirely.

Several securities groups have already begun to buy and sell gilts outside the exchange, acting in the same way that they will after October. They complain that the restriction is forcing them to turn away business, especially large transactions which they can carry out more cheaply than traditional firms.

For small dealings the Bank has relaxed its conditions slightly. Companies may trade up to £150m of gilts a month outside the stock exchange regardless of the 25 per cent limit.

"We will still suffer from not being able to do some of the business," said a dealer at one bank now making markets in gilts outside the exchange. "If someone wants to do a £10m switch from one stock to another that has used up 20m of your limit."

Stock exchange firms, meanwhile, argue that relaxing the limit would disrupt the traditional market, where brokers, acting as agents for their clients and charging fixed commissions, are firmly separated from dealers, who hold stock on their own account but may not deal directly with outsiders.

Mr George Nissen of stockbroker Pember & Boyle, chairman of the

Philip Bassett and Helen Hague assess the FT's plans for change

Seeking to avoid the Wapping way

SUNDAY, January 26, 1986 was the day on which Fleet Street (the traditional London home of national newspapers), as you and I all know it and have known it for all of our working lives, ceased to exist."

So said Mr Frank Barlow, the Financial Times' chief executive, in a message to all the paper's employees yesterday announcing the newspaper's package of change. He went on to explain why:

"That was the day on which Rupert Murdoch proved that it was

possible to produce two mass circulation Sunday newspapers without a single member of his existing printing workforce: without using the railways; and with roughly one fifth of the numbers that he had been employing down in Bowes Street and Grays Inn Road."

Those had been the sites of Mr Murdoch's News International titles before their abrupt transfer to Wapping, east London, with the dismissal of 5,500 printworkers after they voted to go on strike.

Wapping as an industrial dispute was being flagged. Wapping as a precedent for the rest of Britain's national newspaper industry is still a new yardstick to which all other papers must adjust.

FT managers insist that their approach to change is completely opposite to the Wapping way - "I do not intend to do a Wapping," Mr Barlow said. "I intend to do an anti-Wapping." This will come as a relief to the print unions. While some in the unions think winning Wapping

is still possible (privately, some don't), the last thing any of them want now is another confrontation on that scale.

Both sides at the FT, then, are predisposed against a clash, even though the issues at stake - direct entry, redundancies, ending demarcation lines, moving plant, rationalising bargaining structures - are the very stuff from which years of Fleet Street clashing has been made.

The fact that the unions will not want confrontation is a clear indication of the sea-change that has swept over the national newspapers since Mr Eddie Shah - however poor his new newspaper, Today - altered the whole economic base of the industry, and since Mr Murdoch put the new theory into practice at Wapping with characteristically

efficiency. But change has not stopped at Wapping. Far from it. Mr Robert Maxwell, at Mirror Group, began crusading for the right to manage, and saw his titles off the streets for a week in what turned out to be a dry run for his plans to shed a third of the company's 8,000-strong workforce, backed by the now-usual threat to close down the titles for at least a month if this was not achieved with union agreement.

Mr Maxwell got his survival plan - 2,000 jobs went and radical new house agreements were signed. He plans to move his newspapers to London's Docklands in the spring end of the day.

Market makers outside the stock exchange, who quote net prices without commission, taking their profit on the margin between buying and selling prices, have in many cases been able to undercut exchange firms, which are bound by a minimum commission scale.

For some switching deals prompted by tax considerations, where there is no risk of adverse price movements, market makers have been able to reduce the dealing cost to institutional investors by as much as 80 per cent.

is ordering £60m of presses with colour capacity.

United Newspapers bought Express Newspapers and followed it up with plans to shed 2,500 of the group's 6,800 jobs. Against an ultimatum of closing down the titles, a deal was one with redundancy and early retirement terms believed to total about £40m.

Off to Docklands, too, is the Daily Telegraph, printing there and in a new high-tech plant in Manchester.

Severance payments of up to £45,000 per person were coupled with substantial redundancies and warnings that the money would disappear unless production continued uninterrupted. The Telegraph, too, is seeking front-ended (direct input) operation.

The Guardian has all but completed its £22m Isle of Dogs printing works for its London production, and its agreement includes an acceptance in principle by the National Graphical Association (NGA) craft union to direct entry.

Associated Newspapers, publishers of the Daily Mail and its Sunday sister, brought forward its plans for a Docklands move as the momentum for change gathered pace. It is seeking job cuts of about 30 per cent among production staff for its new Surrey Docks plant, due to be operational by the end of 1988.

In addition, a range of new papers - from the upmarket Independent, through a planned new London evening, through to the left-of-centre News on Sunday - are all

working to radical new operational and employment practices.

Against these kinds of changes, how radical is the FT's move to cut 404 jobs? Addressed in those terms - not very. But then the paper is much smaller in circulation than most in Fleet Street, and in the numbers game, its demands do not look high, though in terms proportionate to its own production work-force, they are.

The FT's proposed front-ending is no longer that radical - apart from its widespread application abroad, eight UK national newspapers either already have it, or have agreement on it. Nor, obviously, is making a move east of Tower Bridge from its present site near St Paul's Cathedral.

What is radical are three elements: its wholly streamlined and restructuring arrangements, introducing complete operational flexibility and effectively ending the old union chapel structure; its extensive package of redeployment, retraining, advice and counselling measures; and most crucially of all, its overall approach to the whole issue.

Change will be brought about by negotiation, says the company. Its expectation is that the unions will accept the inevitability of change - especially when it is faced with an attractive severance package - is probably right: the new leaderships of the print unions are much more pragmatic than some of their predecessors.

Pearson in search of higher revenue

BY JEREMY STONE

PEARSON'S £55m investment in its subsidiary company, the Financial Times, is designed to reduce costs and to expand revenue.

The £22m devoted to buying 404 redundancies in the printing operations is an investment that should produce a quicker return than the £33m that is being put into new technology and equipment. The fact that the jobs are not replaced means that the benefit of the cash spent on redundancies flows back extremely fast.

The redundancy costs are likely to be treated in the Pearson accounts as an extraordinary item, and should therefore not adversely affect the group pre-tax profit or its earnings record.

Over and above the reductions in the printing payroll at St Clements Press, the change to new web offset presses is expected to lift the FT's revenue substantially, by increasing the volume of advertising that can be carried and the rates that can be achieved for carrying it.

During the extremely profitable advertising market of the last year, the FT has been limited in the number of pages that it can sell by the 48-page maximum size of the edition that can be produced on its existing presses in the City.

By installing capacity that will initially print 56 pages, with possible extensions later on, the paper will be able to cope with a growth in demand that was rapidly exhaust-

ing its capacity to supply.

Delays in publication of special surveys, which result in discounting of the advertising rates, should be avoided. Similarly, the need to re-print some material, which also results in lower rates, is eliminated.

At the same time, printing colour as part of the run will supplement the pre-print that is used at present, and add to the FT's advertising revenue.

To get adequate returns from the entire investment, the FT needs to continue trading successfully in an environment of gathering competition. Until the present investment, the FT has employed relatively little capital, renting its City premises from the parent company and printing its London edition on very fully depreciated machinery. It has been a significant source of cash to the parent group.

The FT is now faced with the challenge of making sufficient returns on an extra £33m of fixed capital to justify Pearson's decision to borrow the money.

Liberating the Bracken House premises from printing the newspaper might, given the right sort of eventual redevelopment, recoup some of the cash. But since the production of the FT will have to continue on the same City site until after the money has been spent in the Docklands, there is not going to be a quick coup in the Big Bang property market.

City regulatory body to cost £6m a year

BY CLIVE WOLMAN

THE ANNUAL running cost of the Securities and Investments Board (SIB), the embryonic City of London regulatory body, are expected to be £6m, most of which will be spent on employing nearly 100 staff, Sir Kenneth Berrill, SIB chairman, said yesterday.

Sir Kenneth was speaking at the presentation of the first audited accounts of SIB and its associate, the Marketing of Investments Board Organisation Committee (Miboc), with which it will shortly merge, for the nine-month period to the end of March.

The accounts show that SIB/Miboc incurred administrative expenses of £1.4m over the period, of which £685,000 were staff costs. The total set-up costs are expected to reach £7m by the time SIB has been authorised by the Government and becomes fully operational in the spring of next year. These costs will be met by a loan from the Bank of England.

After next spring, SIB will expect to cover its costs through a levy on financial institutions which will be paid indirectly through the self-regulatory organisations (SROs).

An investment business has the

option applying for authorisation from an SRO or directly from SIB. But Sir Kenneth said that the charges for direct authorisation, which will be necessary to cover SIB's additional running costs beyond the £6m budgeted, were likely to be much higher than the charges levied by an SRO.

SIB will also be able to recognise professional bodies of which nine, covering accountants, solicitors, actuaries and surveyors, are interested in seeking recognition, Sir Kenneth said.

County Bank, the merchant banking subsidiary of National Westminster, emerged as the most successful, if not the most active, of banks in the takeover field in the first half of 1986, according to a league table issued by Acquisitions Monthly, Charles Bachelet writes.

County, not traditionally a leading player in the bids arena, won all four contested bids or defences in which it was engaged.

N. M. Rothschild won three of the

four bids on which it was engaged, while Morgan Grenfell, widely seen as the leading bid practitioner, won only two of the nine bids in which it was involved.

An investment business has the

option applying for authorisation from an SRO or directly from SIB. But Sir Kenneth said that the charges for direct authorisation, which will be necessary to cover SIB's additional running costs beyond the £6m budgeted, were likely to be much higher than the charges levied by an SRO.

SIB will also be able to recognise professional bodies of which nine, covering accountants, solicitors, actuaries and surveyors, are interested in seeking recognition, Sir Kenneth said.

County Bank, the merchant

banking subsidiary of National

Westminster, emerged as the most

successful, if not the most active,

of banks in the takeover field in the

first half of 1986, according to a

league table issued by Acquisitions

Monthly, Charles Bachelet writes.

Although the capital cost is put at

£5.5bn, interest and escalation

would raise it to £17.5bn. It involves

building a 10-mile long barrage

across the estuary between Cardiff

and Weston. Its backers say it

would generate 44,000 jobs directly

and a further 22,000 jobs outside

the energy sector.

The second option is for a shorter

barrage straddling the English

Stones route, five miles down-

stream of the present Severn

Bridge.

The promoters say the project,

likely to be only slightly down on

last year's record, he said.

Mr Lickorish pointed out that

American tourists accounted for

only about 20 per cent of visitors to

the UK and that total visitors this

year might not fall far short of the

23m who came last year from all

parts of the world.

The total number of American

tourists to the UK this year was

likely to be only slightly down on

last year's record, he said.

Mr Lickorish pointed out that

American tourists accounted for

only about 20 per cent of visitors to

the UK and that total visitors this

year might not fall far short of the

23m who came last year from all

parts of the world.

The total number of American

tourists to the UK this year was

likely to be only slightly down on

last year's record, he said.

Mr Lickorish pointed out that

American tourists accounted for

only about 20 per cent of visitors to

the UK and that total visitors this

year might not fall far short of the

23m who came last year from all

parts of the world.

The total number of American

tourists to the UK this year was

likely to be only slightly down on

last year's record, he said.

Mr Lickorish pointed out that

MANAGEMENT: Marketing and Advertising

A
IN APRIL, in a little-reported diversification, Colgate Palmolive in the US acquired the British direct selling company Fiesta International in a deal worth £24m. Fiesta, based in Hexham, Northumberland, whose £6m sales last year of home decoration products, achieved through home parties, reported business up 66 per cent on the previous year. Following a similar, although larger, acquisition in the US, Colgate's plan is to use Fiesta as a base for an expansion of its direct selling interest in Europe.

The direct selling of consumer goods in the home, where the salesperson nowadays is usually a woman—represents a substantial industry in its own right. The Direct Selling Association's report* published this month shows sales of £30m in 1985, up 7 per cent on the previous year. The "direct-sell-in-the-home" sector is somewhat smaller than the direct selling of home improvements and double-glazing but has a higher public awareness—last year DSA members accounted for 55m retail orders. It is this high volume of relatively low value transactions—where the average value is under £10—that is attracting the interest of consumer goods manufacturers worldwide.

Mostly retailing in Britain is highly developed. In fact it is the buying out of the multiples that is the basis of a problem for manufacturers wishing either to introduce radically new products or even to diversify without being forced into providing retailers with crippling advertising support.

The DSA survey clearly shows that if US trends are followed then an even greater opportunity exists for alternative retailing in Britain. The direct selling of consumer goods in the US last year amounted to over \$9.5bn. In volume terms per home it is four times that achieved in Britain. The same is true, to a lesser extent, in Europe. In West Germany direct sales volume per home is twice that in Britain and it is also higher in France. Even in Japan direct selling is booming.

In 1985 Japanese direct sales topped \$10bn and Pola, a Japanese cosmetics company just moving into the US and with sales of \$1bn last year, is rivalling Avon for leadership in the international cosmetics market.

The conversion of street peddling in the 19th century to organised business was pioneered in the US at the beginning of this century. It began to develop in Europe after the Second World War with the arrival of Avon and Tupperware, plastic containers. Today there are over 40 direct sales businesses in Britain and the range of products on offer



More and more are coming to the party

Richard Berry reports on the growth of selling in the home

covers just about everything you would expect to find in a department store, apart from perishable foods, furniture and white goods. The largest product sector is still cosmetics where seven companies account for 42 per cent of total direct sales and 14 per cent of the total retail market for cosmetics.

Housewares is also big business for the direct sellers; last year sold £8m worth of silver and gold jewellery and achieved the first British direct selling company to start up a subsidiary in the US when the hallmarking of gold and silver is unknown and is proving to be a highly saleable novelty.

Apart from its ability to bring back to retailing the opportunity to see products being demonstrated and by providing customers with informed advice—a service largely sacrificed by multiple retailers in favour of bar-coded systems and other aids to productivity, direct selling has also some interesting financial attractions. A well run direct sales business can compete effectively with most multiple retailers. From a manufacturer's viewpoint from the overall margin from cost price to retail price is not too different. Commission costs may

seem high by normal retail standards but without rent and rates on retail property fixed costs are low.

Direct sales companies rarely give more than 10 days' credit to their salespeople and do not spend heavily on advertising—they offer real live commercials presented by their agents who get paid in the form of performance-related commissions.

One important respect direct selling differs from other retailing techniques in that the ingredients for profitable growth do not depend just on pricing, product range and average order values. The key to business growth is in the number of sales people. The business is all about recruitment coupled with a large number of relatively low value transactions. Most selling is carried out in the early evening and, for the typical agent, direct selling is part business and part recreation. Many agents say they simply because they enjoy the life.

Another old chestnut about direct selling and party plan in particular is that the customers

are under some moral obligation to buy. Direct sales companies are sensitive about this criticism but can prove that the bulk of their business is represented by repeat orders from regular customers. In fact for the industry as a whole 77 per cent of all the business achieved with existing customers.

However, if Britain is to follow the US growth trend in direct selling then it is likely to see an even bigger increase in network marketing. This is a form of franchising where a company allows enterprising individuals to build their own distribution networks. This has the effect of relieving the company of the distribution and credit control problems associated with a large number of small accounts and gives the distributor a business of his or his own. This approach has an appeal to the entrepreneur and is a direct sales strategy which enabled companies like Amway in the US to generate sales of \$1bn per year.

The particular appeal of network marketing is that it gives married couples the opportunity to share their talents between administration and selling. When this type of business was first introduced to Europe it coincided with a controversy over pyramid selling. The 1979 Fair Trading Act now prevents abuses of this sort but for a while it delayed recognition of what is in essence a sound concept and one which fits the social needs of the day—more leisure, early retirement and more interest in the idea of having a business of your own.

The other problem which has perhaps restricted investment in the direct selling of consumer goods in the UK is that the Ciba group not really understand it. It does not fit neatly into any sector and there are not enough quoted companies to give a sensible guide to performance.

Since Rosgill went private

there are only two publicly quoted companies in London

with direct sales interests.

Oriental and Kleeneze. Both of

these are holding companies where profits from direct selling are hidden in group figures. This lack of understanding is compounded by the high proportion of the business accounted for by American multinationals in 1985 it exceeded 78 per cent.

Colgate's acquiring of Fiesta will further distort the balance but it may just awaken a few more British companies to the opportunities that exist beyond the High Street.

Richard Berry is a management consultant and an advisor to the Direct Selling Association.

Direct Selling of Consumer Goods in the United Kingdom 1986 Survey is published by DSA Research Unit, 44 Russell Square, London WC1B 4JP.

Hotels

Hyatt finds its own niche

David Owen explains the US chain's expansion in a slackening market

"OVERCAPACITY"—the distinctly subdued delivery of Hyatt Hotels Corporation's Yorkshire-born president, Darryl Hartley-Leonard, is tempered a touch at the suggestion that "what's a general term being bandied about to mask lack of marketing ability". Later, he concedes: "Yes, there is some overcapacity, but a lot of locations still need a hotel."

Take Deerfield, Illinois, for example. Deerfield, a little known Chicago suburb, has been earmarked by Hyatt as the anchor for its recently announced push into US suburban and small city markets.

Altogether, the chain aims to build 40-200 to 300-room hotels

in such locations by the end of 1990. The development of numerous de luxe suburban offices around the country has, the company believes, created an exploitable window of opportunity.

The move is Hyatt's latest

response to the increasing segmentation of the hotel market.

Suite hotels and bed and breakfasts have succeeded

waves of convention and resort

venues as chains have striven

to attract a more specialised

clientele and minimise head on

competition. Nicholson

notes that "we're

not

attempting to duplicate the 40 pro-

posed boxes will deter custom-

ers. Further economies will be

made by limiting meeting facil-

ties and other amenities. "There

will only be one restaurant, not

two, one bar and so on," Hart-

ley-Leonard explains. All told,

Hyatt hopes to restrict per room

costs to \$65-\$80, compared

with up to \$150,000 for a stan-

dard luxury hotel room.

Operating costs also stand to

be trimmed, although the specif-

ic areas of savings have still

to be formulated. "We certainly cannot run them like our existing facilities," says Hartley-Leonard. "It just wouldn't work economically. We will learn a lot once the first four hotels are up and running," he adds. "We won't maximise our potential until then."

Despite the over-crowded market place, Hartley-Leonard evidently feels that the time is right for Hyatt to exploit its concept. Proposed new US tax legislation should, he believes, lead to a hiatus in speculative hotel building by removing tax benefit incentives. "Several hotels have been built by real estate developers as tax shelters," he says.

Less generous tax breaks

should also lead competitors to reassess the "hotels too" mentality which Hartley-Leonard blames for the overcapacity in two major areas. A prototype of both the 200 room and the 300 room hotels has been commissioned to minimise architecture, engineering and design costs.

Company executives do not

appear to feel that the conse-

quent similarity of the 40 pro-

posed boxes will deter custom-

ers. Further economies will be

made by limiting meeting facil-

ties and other amenities. "There

will only be one restaurant, not

two, one bar and so on," Hart-

ley-Leonard explains. All told,

Hyatt hopes to restrict per room

costs to \$65-\$80, compared

with up to \$150,000 for a stan-

dard luxury hotel room.

Operating costs also stand to

be trimmed, although the specif-

ic areas of savings have still

New products outweigh shelf space

CONSUMER goods makers are stepping up new product development programmes as their profitability and the general economic climate improve. They are also finding it increasingly difficult to find retailers willing to distribute their launches.

Results of an annual survey published in KAE Development News last month shows 70 per cent of companies questioned said their profitability had picked up and their development plans for 1986 were more ambitious than last year's. Only 6 per cent had cut back.

The poll of 131 manufac-

turers also showed that 50 per

cent felt distribution was one of their biggest problems, compared with 41 per cent last year and 31 per cent in 1977.

Pressure on shelf space has resulted in multiple retailers becoming increasingly demanding on quality, price, promotion and delivery. Even though 68 per cent of the respondents questioned by KAE said they had discussed their new products with the trade before launch.

Despite demands from re-tailers for more disclosure and participation in the development of new products, 58 per cent of the sample said fears about security made it difficult for them to show

their products to potential distributors.

The general economic climate, which was rated one of the greatest obstacles to new product introductions in 1977, was mentioned as a big problem by only 5 per cent this year.

KAE also claims to have

scratched the myth that only one in 10 new products succeeds.

Assessing the results, and allowing for over-enthusiasm among respondents, it suggests that about 50 per cent of new products launched nowadays meet their producers' criteria for success.



TECHNOLOGY

Why the food industry may blow hot and cold

A TIN OPENER may become an object of antiquity if trials of a novel food technique later this year are successful.

The new process not only does away with cans but also obviates the need for freezing food. The Multitherm process developed by Alfastar in Sweden, is said to preserve food for several months without chemicals. It has the added advantage that it rivals canning in its low cost but products taste fresh—even difficult to preserve food like fruit and vegetables.

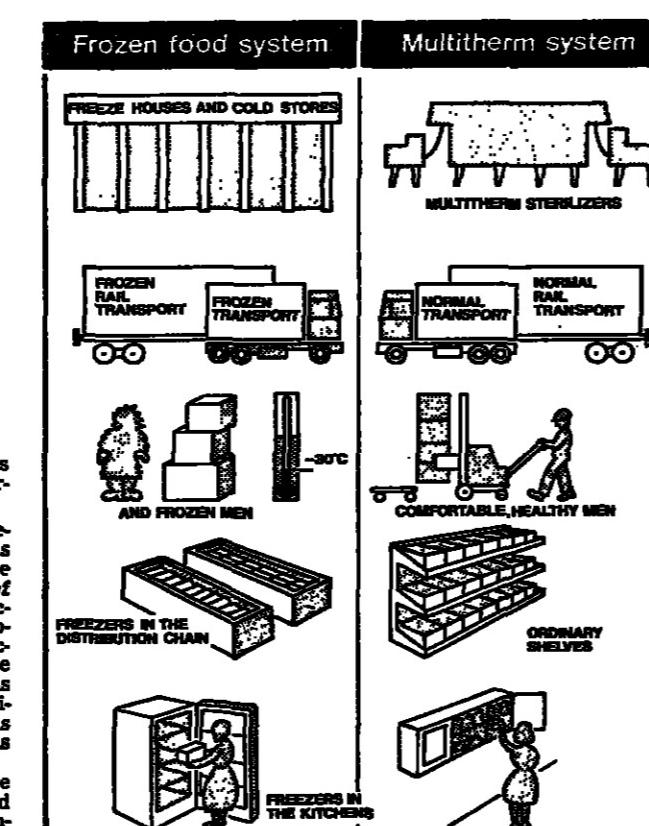
Hillsdown, which is the largest UK packer of fruit and vegetables, is particularly concerned with the rapid decline in simple canned products, such as peas and strawberries. Consumers prefer the texture and colour of frozen or fresh products rather than the soft texture and brownish tinge of canned foods.

Already some of the large UK food chains have been to see the process. Hillsdown says that much of the reaction has been very favourable.

In August Hillsdown will complete the technical evaluation of the product before the final decision is made to enter the market. The company chose Alfastar because it could find no other suitable process, though competing systems are available for preserving only liquids from Tetrapak in Sweden and Combiblock in the UK.

Initially, the Multitherm system will be restricted to high-value added products because of the limited production capacity of machinery. Present prototype equipment can process only 40 packets a minute, which is 10 times slower than canning equipment. However, Hillsdown engineers believe that there is no technical barrier to meeting those speeds when demand from supermarkets take off.

Alfastar processing is based on heating the food just as for canning. The difference is that cooking time for canning can take hours while the Alfastar



system takes only a few minutes. Leonard Stenstrom, who developed Multitherm, says that the process achieves the same as other preserving processes i.e. the destruction of bacteria and the inhibition of enzymes, but in a much shorter time. The short cooking period also helps preserve vitamins and the natural colour of most food without additives and leaves the original structure and texture intact so that the food resembles fresh produce after many months.

The secret behind Multitherm is rapid but even heating throughout the food taking the temperature up to 180 deg C in less than a minute. Surprisingly, achieving such a uniform temperature rise is difficult. Stenstrom found that even with microwave heating and cooling process so that it could be used on large production lines. Akerlund and Rausing, part of Swedish Match, also put their plastic packing technology at Stenstrom's disposal to help Alfastar select the right packing for the process.

In addition to the multitherm for solid food, Alfastar is well advanced on the development of a rapid preservation system for liquids which is a highly concentrated in water bath and retortable market.

Finding the beads in life's genetic strings

THE WINNING Californian team of Caltech and Applied Biosystems has scored again, this time with an analytical instrument for identifying the "beads" in a string of genetic material. By revealing the four different chemical bases—A, C, G and T—in different colours, the team has made it easy for a computer to capture and store the long sequences automatically, as distinctive colour patterns.

The academics, led by Professor Leroy Hood and Stephen Kent of the division of biology at the California Institute of Technology, Pasadena, have shown unique skills in mechanising the Nobel-prize-winning chemistry of Fred Sanger in Cambridge and Walter Gilbert at Harvard—pathfinders in unravelling the chemical structure of DNA.

In 1981 the newly-formed Applied Biosystems of Foster City, California, entered the picture and began to develop automated instruments based on the ideas of Prof Hood and his colleagues. Unlike the larger instrument developed in this field, Applied Biosystems was itself a research-based activity, collaborating closely with Caltech to invent and refine a new instrument technology.

From the outset Sam Eletz, its chairman and chief executive and a former Hewlett-Packard employee, saw a role for the company as a purveyor of tools for the latest California rush—this time into biotechnology rather than gold. Last year, with sales expected to exceed \$50m (£33m) he reinvested about 15 per cent of income into research.

Its instruments either unravel or assemble the long sequences of nucleic acid bases that make up the genetic material. A typical gene of about 1,000 of these bases. Their precise order will determine the unique character of that gene.

Mapping (sequencing) genes by chemistry is a time-consuming business, fraught with opportunities for error. From the conception of Applied Biosystems, Prof Hood and his colleagues sought to develop a machine that would speed up the procedure tenfold or better and would minimize mistakes. In a joint paper in Nature last month, the partners

announced their success with a technique which, they hope, will help to eliminate much of the labour associated with the chemistry or the physics of the analytical procedure. The signals had to be readily recognised by the computer, so that it could store each flash of fluorescence and work out the sequence of bases continuously.

Sensitivity was another key factor in the design. Laser excitation heightens the technique's sensitivity. The beam from a continuous argon-ion laser is used to illuminate a tube containing the sequencing gel which contains the sequencing gel. The investors say they see several ways of further enhancing its sensitivity, including more complex dye systems.</p

THE ARTS

Florentine Drawings at the British Museum/David Piper

Fragile legacy with powers of endurance

The current display in the British Museum's Print Room gallery is a formidable show of strength. "Florentine Drawings of the Sixteenth Century" (until August 17) illustrates the output of a single Italian city in a single century, in a selection of some 200 drawings made from a very much larger holding.

"They come, however, from a very singular city in a very singular century, for it was in the Florence of the High Renaissance and the following years that drawing was established as nowhere else as the fundamental instrument of what Vasari described as "the parent of our three arts, architecture, sculpture and painting, having its origin in the intellect."

This concept is *disegno*, "like a form or idea of all the objects in nature... cognisant of the proportion of the whole to the parts and of the parts to each other and to the whole." Although rooted in nature, it implies the distillation of formal essence from nature's infinite variety—a principle that would ultimately take abstraction into the rarified realms of twentieth-century art.

The exhibition states that this is its first show ever devoted solely to drawings of the Florentine School, with its "central topic" being the development of drawing in Florence in the sixteenth century. Certainly just so for the visiting art-historian, and indeed for the Print Room's staff in their close scrutiny of re-appraisal of stock in what must be a rare and singular state of what to leave in and what to leave out in the space available.

And for them, as for art-historians and their working libraries, the catalogue, admirably compiled by Nicholas Turner, is reproducing everything exhibited (£10 at the Museum, £12.50 elsewhere; cased edition, £20) will be the enduring witness to this show, and to the advance that it makes in our knowledge and understanding of the subject.

For the "ordinary visitor" inevitably the points of mesmerised arrest will be those individual drawings that are so very much more than illustrations of stages or variations in a stylistic evolution, and that stop you in your tracks by the vitality, the skill and beauty of the images they present.

It could hardly be otherwise,



Four studies of a child, by Andrea Del Sarto

or the first 30 of the 70 display cases show Leonardo, Michelangelo, Raphael, Andrea del Sarto, Fra Bartolomeo, and a final magnificence of Michelangelo's, which is, his second period in Florence. Some of the most famous of all his drawings: the awesome ideal profile of a woman, next to the almost uniquely naturalistic head of a boy; an achingly lofty Crucifixion.

The Leonards, Michelangelo's, Raphaels have all been seen relatively recently on exhibition, and are familiar of course in countless reproductions, but others—the seductively beautiful representation of Andrea del Sarto's draughtsmanship, anatomist often superbly studies, by Fra Bartolomeo (but at least, his two most delicately sensitive, fragile notations of a Tuscany landscape)—there are very rarely visible to the visiting public.

If you are held up by them to the exclusion of the later cases, there will be no remedy but to visit this showing again and again. (And incidentally, in the recent unvoiced stife of a London heatwave, the gallery has offered a rare sanctuary in its cool penumbra and murmur of air-conditioning, as one leans, on

those broad wooden bars so sympathetically incorporated in front of the cases, taking in visual refreshment as heady as alcohol.)

For the "ordinary visitor" more than for the specialist, the expository element of the display is greatly enhanced by the inclusion, close—but tactfully so—to the relevant drawings, of photographs of the paintings for which so many of them are preliminary studies. Sometimes, of course you can see the artist germinating different compositions on one sheet—Raphael's swirling pen, for instance, improvising variations on his favourite theme of the Madonna and Child.

Sheet after sheet offers absorbing illustration of the artistic imagination in action, in exploration, in invention as in discovery, in consolidation. The selection does, though, also refer the viewer back to the traditional scale of importance which history has allotted to different artists and even to different periods. The giants are confirmed. But later figures too—Pontormo, Salviati, Allori, and others—demand searching attention, even in this context of quality.

For many, though, that "central topic" will inevitably share a diminuendo through the

end of the sixteenth century into the beginning of the seventeenth. From the High Renaissance, then, the so-called Post-Renaissance, Classicism and later Michelangelo, there develops Mannerism, in its various stages. It is somewhat deflating that the majesty of Michelangelo has to be followed immediately by a fairly comprehensive selection of drawings by Bandinelli—devoted admirer of Michelangelo but an artist of whom critics have spoken kindly almost continuously ever since. He is, like Michelangelo, laborious, but also—comparison though inviolable, are here unavoidable, and Bandinelli plods.

The Mannerist showing nevertheless can so often delight by sheer brilliance, and undoubtedly the style was for long unjustly neglected. Yet with all its brilliance, its liberation of artistic invention from the tendency to academic sterility, it rarely responds to universal needs, as do the masters but also the profound humanity of the great masters of the High Renaissance.

Not that there is a sharp division between the styles. The influence of the High Renaissance is discernible throughout in different degree, while proto-baroque elements that persist from Renaissance naturalism

stir here and there by 1560 or earlier, even if no Florentine artist quite foretells the explosion of Caravaggio or Rubens or Bernini.

In fact, by the end of the sixteenth century, the continuance of the very special identity that Florence held in the development of Italian art had largely evaporated. The principles that motivated *disegno* were integrated into the rich complex mainstream of European art; so likewise were the entire seeming theory and practice of colour as against line demonstrated so magnificently by the great Venetians.

Florence itself was no longer a prime theatre of excellence, and no talents comparable to those of its greatest days were to emerge within its walls. The legacy left has nevertheless endured, an inimitable source from which art will draw as long as artists put pencil to paper.

The catalogue is in considerable part—for the later drawings especially—a first publication. Full printed catalogues for the earlier ones already massively exist, but the definitive catalogue of the entire holdings of drawings in the Print Room is an ideal goal that steadily recedes from the real axe to grind about that Indian boy.

Nicholas Turner's contribution, claiming to be more than an exhibition exercise, nevertheless a substantial and enduring contribution to scholarship. One might even wonder—as my colleague Roy Strong does on occasions—whether this one is essentially the same, though computers may decide otherwise.

Nicholas Turner's contribution, claiming to be more than an exhibition exercise, nevertheless a substantial and enduring contribution to scholarship. One might even wonder—as my colleague Roy Strong does on occasions—whether this one is essentially the same, though computers may decide otherwise.

As exhibition, it reveals, as no reproduction can, however good the reproductions, the reality of these fragile sheets as objects—in the variety of ways of techniques, of texture of media, their hesitations, after-thoughts, scarcely visible subtleties, the very bruising and discouragement inflicted on them in the course of their centuries-long survival.

Perhaps, most movingly, in a sheet bearing some red chalk sketches copied from Michelangelo by one of his pupils, and on it, an admonition in the master's own hand: "Draw, Antonio, draw and don't waste time!"

Josef Suk/Wigmore Hall

Max Lopert

After a longish absence Josef Suk returned to London a year ago as a Wigmore Hall recitalist, with such success that a repeat performance was easy to predict. This he made on Tuesday. The pianist given with the pianist Josef Hain was a "house full" occasion, as the previous one had been—all of which would seem to suggest that just now London audiences are hungry for violinists of this particular calibre and class.

Suk is not just one of the few great living masters of his instrument; he is a musician of generous but unforced expressive powers, and he releases them in so natural and direct a manner that at the beginning of the recital one could be forgiven for assuming that surface was all. Far from it: in a con-

Edwin Godwin centenary at the V & A

The Victoria and Albert Museum is holding a centenary exhibition to commemorate the colourful life of E. W. Godwin, architect, designer, and writer with a great enthusiasm for Gothic ornament. Anglo-Japanese furniture and costume

certainly devoted mainly to Czech composers—a programme stretching from Dvorak and Suk to Janacek and Martinu covers territory in which Dvorak's great-grandson and Suk's grand-daughter feel particularly at home, perhaps the performances of Beethoven and Brahms that provided the richest rewards.

The Beethoven sonata, Op 96 in G, brought forth some of the most beautifully controlled Beethoven violin playing I have ever heard; but beyond that, it was playing that breathed, flowed, and relaxed its inspiration in countless tiny details. There was no showy virtuosity, no pressure bowing, no bending of the tempo to disgorge some heightened emotional content, yet the ways of making the

music "speak" included infinite subtle variations of metre and rhythm, and the tone colour was gloriously free. Hain could not always follow the line (and seemed little slow to take up the mood of the Scherzo), but in general he proved a sterling piano partner; in the Brahms C minor Scherzo that closed the concert, the proud, broad outpouring was more equally shared between the two.

The Dvorak sonata in F, Op 55, somewhat uniformly melodic offering, has a retentive melodic character that Suk explored to perfection. In Martinu's second sonata (1931) he showed a manner at once sharper and lighter, touching off the *Julieta*-like charm of the music with easy address. Smaller pieces by Janacek and Suk were given with masterly understanding; in the shorter pieces, the Czech Kreisler Orfeo dance, the Prokofiev-Kreisler Kijé march, and some Beethoven-Kreisler—the violinist turned to virtuosity without ever losing the special candour of his platform personality, Wilfred Judd's direction, which keeps things more or less bubbling along in familiar routines,

Chabrier's *opéra-bouffe* is full of irrepressible music, as original as it is funny, but so closely adjusted to the far-fetched fantasy of its text that it badly needs to be played in the language of its audience. Not an easy bill to fill, for there's a lot of verbal jappery before the range of school French; Jeremy Sam's new translation for the Guildhall School of Music and Drama is a great gain. It is expert, almost as neat as the original, often felicitous, and sings well—better, indeed, than some of it actually sung.

Under Alexander Faris the orchestra was more consistent. Simon Woods replaces him tonight, with the first-night cast. Stephen Clarke tomorrow, with second cast. The lively enthusiasm in the pit was matched by his sympathetic stage, and vociferous appreciation by other students in the audience; and it all made a very cheerful evening. David Short's broadly witty designs are brighter than Wildred Judd's direction, which best approach the new version with some circumspection. I doubt that the inevitable boiling-down and simplification

ines, with the characters played on one note each.

With this cast the least singing came from Robert Wilson as King Ouf—all his couples merely shouted—and the most from Rosina McGibbon in the breeches-role of Lazuli: a big, pugnacious, obstinate, essential kink for placing the words on a French operetta-line. There was no evidence of that knock among her fellow players (good diction isn't the same thing), though there was some pretty singing from Elizabeth Rodger's vaporous heroine Laoula, and effective support from Rachael Hallwell and Joseph Cornell as her absurd royal parents.

Miss Hallwell's useful line in stage lubricity was well matched by Robert Poultton's Harpo-ish secretary Tarczay, though less pliant and less able to the part than that was as incandescent as Simon Tunkin's bass for the astrologer Sirico, twisting and gliding like a silken dragon. Granted some less than stylish delivery, *Etoile* was enhanced by everybody's contagious delight in the piece; it felt very much like the real thing.

With this cast the least singing came from Robert Wilson as King Ouf—all his couples merely shouted—and the most from Rosina McGibbon in the breeches-role of Lazuli: a big, pugnacious, obstinate, essential kink for placing the words on a French operetta-line. There was no evidence of that knock among her fellow players (good diction isn't the same thing), though there was some pretty singing from Elizabeth Rodger's vaporous heroine Laoula, and effective support from Rachael Hallwell and Joseph Cornell as her absurd royal parents.

Miss Hallwell's useful line in stage lubricity was well matched by Robert Poultton's Harpo-ish secretary Tarczay, though less pliant and less able to the part than that was as incandescent as Simon Tunkin's bass for the astrologer Sirico, twisting and gliding like a silken dragon. Granted some less than stylish delivery, *Etoile* was enhanced by everybody's contagious delight in the piece; it felt very much like the real thing.

After radio and stage dramatisations, as well as cartoon treatment, C. S. Lewis's *Narnia* fable has now become a musical, with a book by Jules Tasca, and music and lyrics by Thomas Tierney and Ted Drachman respectively. The European premiere runs throughout the City of London Festival until July 26 in the city church of All Hallows by the Tower.

Those who treasure *The Lion, the Witch and the Wardrobe* in its originally unamplified, unipersonal telling of a story whose moral and emotional forces make an impression even upon those too young or too hardened to absorb its densely theological allegory I doubt that the inevitable simplification

problem. Perhaps half of the songs get by; two or three are memorable. But at no point does the music suggest that the story is enhanced by its inclusion, or that the evening is the better for being a musical rather than a straight play. It's possible, just, to imagine a musical version done on a lavish Lloyd Webber scale, but otherwise it's hard to justify the extra dimension.

Within its constraints the production by Christopher Biggins is engaging enough. The cast is led by Paddie O'Neil's splendidly arch Witch, and Gareth Marks's calm, noble Lion; there is a good quartet of children (Gay Soper, Trevor Jones, Judy Cray and Vincent White) and a witty pair of cockney Beavers (Loo Dolan and Norma Dunbar). Children, if they don't find it all too terrifying, will lap it up.

The music is more of a

Arts Guide

Music/Monday, Opera and Ballet/Tuesday, Theatre/Wednesday, Exhibitions/Thursday, Exhibitions/Friday.

July 4-10

Exhibitions

LONDON The Tate Gallery: Oskar Kokoschka—a major exhibition to mark the centenary of the great age of expressionism. The *Hofmannsthal*. This exhibition leaves a vivid impression of the grandeur, grace and elegance of the palaces of the Roman emperors. Assembled together are the statues, frescoes and pavilions which Italian archaeologist Rodolfo Lanciani discovered in the 1st century AD palace during his excavations on the Esquiline hill in 1875. The whole was subsequently covered over. The exhibition opens with Lanciani's vivid description of the palace's breathtaking beauty; many of the statues form part of the museum's permanent collection, but the frescoes have lain forgotten in the storerooms, and the exquisite fragments of gilded bronze, embossed with agate, sapphire and lapis lazuli, have never been put on public show. Until July 31.

NETHERLANDS Medieval art in Paris: The abbots of Cluny built their magnificent late gothic town house in the heart of the Latin Quarter on three blackened ruins of Roman baths. Now a museum, it houses medieval works of art: goldsmith's work, carvings, alabaster pieces, ivories, fabrics, with two English royal standards embroidered in gold on red velvet. In a rotunda of its own is a set of the Lady and the Unicorn *mille fleurs* tapestries—an allegory of the five senses, one of the masterpieces of medieval art. Musée de Cluny, 6 Place Paul-Painlevé, Métro Odéon.

WEST GERMANY Dresden Villa Hügel: The chairman of Krupp, Dr Berthold Beitz, who is also head of the private Krupp collection, was the moving force behind this exhibition, helped by Mr Erich Hoenecker, the East German leader. The Villa Hügel, 114 years old, has been redecorated for the exhibition. This is the first show organised by the institute, founded three years ago on the initiative of the Krupp Foundation. The treasures from the period 1894-1933 of great historical value are loaned from Dresden's state collections. The eight royal collections are presented, as far as possible with characteristic master works. There is also one of the oldest and most complete coin collections in the world and a huge collection of arms and copper engravings by Boucher, Chardin, Piranesi and Tiepolo. The picture gallery includes works by Titian, Poussin, Velasquez, Rubens, Rembrandt and Cranach. Ends Nov 2.

SPAIN Madrid, References and Identities. An encounter of prestigious international artists welcoming the inauguration of a new art centre in Madrid: Centro Reina Sofia, Santa Isabel 52. Ends Sept.

Madrid, Nobret, La Belli, Women in Ancient Egypt sponsored by Catalunya Savings Bank La Caixa with Haus der Kunst (Munich's Egyptian museum) and Cairo Museum, have set up this splendid show to raise funds to build future premises of National Museum of Egyptian Culture in Cairo. This exhibition gathers 90 pieces, including jewellery, brass sculptures, wood boards, and paper fragments that illustrate the significance of women in ancient Egypt. Artistic treasures offer a testimony of Egyptian history over 3,000 years. A must to understand women's role with the family, religion and politics neatly presented in chronological order. Fundación Caja de Pensiones, Serrano 60. Ends Aug 3.

WEST GERMANY Düsseldorf, Kunstmuseum, Ehrenhof 6: Otto Pankok (1893-1960). The Passion—Otto Pankok's expressionist covering of the German expressionist covering of 1933-34. Ends Oct 31.

EAST GERMANY Dresden Villa Hügel: The chairman of Krupp, Dr Berthold Beitz, who is also head of the private Krupp collection.

Art Institute: Famous as a fashion photographer, Richard Avedon undertook a five-year project to capture the American West in the tradition of nineteenth-century photographers such as William Henry Jackson. The results are "a fictional West," Avedon claims, with outsize portraits of Americans ranging from a rambles roundabout to county fairs. Ends Aug 1.

CHICAGO

Art Institute: Famous as a fashion photographer, Richard Avedon undertook a five-year project to capture the American West in the tradition of nineteenth-century photographers such as William Henry Jackson. The results are "a fictional West," Avedon claims, with outsize portraits of Americans ranging from a rambles roundabout to county fairs. Ends Aug 1.

Saleroom/Anthony Thorncroft

Bandits grab £1.2m

A painting of a grotto in Naples with bandits skulking in the cave by Wright of Derby made the extraordinary price of £2,100,000 at Sotheby's yesterday, over double the sale room's high estimate. It was an unusual subject, which probably appealed to the collector. It was highly regarded in its day, selling in 1780 for £157 10s. The buyer yesterday was Agnew.

The auction of British paintings had a mixed experience, with a total of £2,469,730, but 22 per cent. underbid. Some attractive pictures failed to sell, suggesting that dealers are heading with stock. A good portrait by Wright of Frances Burdett was surprisingly bought in at £150,000.

Among the successes were the £158,000 paid by another London dealer, Richard Horner, for a Van Dyck portrait of Dorothy, Lady Daer. It has only recently come to light. It had stayed in the family but there was no awareness of the identity of the artist. The price was at the low end of the estimate.

R. A. Lee, a dealer best known for trading in furniture, paid £154,000 for a Coalport landscape with cattle and two Fine Art Society secured two views of Loch Lomond by John Knox, painted around 1830, for £66,000. They were sent for

sale by the Duke of Hamilton who also disposed of an extensive prospect of Salisbury, captured in the 1780s, for £4,000.

"A gamekeeper's shack in the Highlands" by John Frederick Herring Snr sold for £66,000, but there was no buyer for an early Reynolds sketch, a caricature he made in 1750 when visiting Rome. It was unsold at £17,000, even though it was exhibited at the recent Royal Academy show.

Also unsuccessful were a portrait by Arthur Davis of Robert Holden of Darley Abbey in Derbyshire, which had the attraction of being sold by his widow, who bought it in at £48,000, and an extensive view of Bolton Hall in Yorkshire by Paul Sandby, unsold at £12,000.

This, too, had an excellent pedigree through the Bolton family. There was also an offer taken for a previously unrecorded painting by John Martin, prepared to illustrate Milton's *Paradise Lost*; it was unsold at £13,000.

At Christie's a Louis XVI gold automaton musical snuff box, with a lady tight-rope walker on the cover who rises to dance to the melody, sold for £73,440.

The dealer S. J. Phillips, Koopman acquired an ornate late 19th century Viennese silver gilt and enamel centre-piece in the shape of an exotic bird for £43,360.

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telegrams: Finantimo, London PS4. Telex: 8954871
Telephone: 01-248 8000

Thursday July 10 1986

The role of auditors

THE PREMISE behind the Thatcher Government's financial services legislation is that in volatile and competitive markets, self-regulation can no longer be relied upon to serve the interests of investors or the wider community. The Stock Exchange and other institutions, which were operated along the lines of gentlemen's clubs, are having to cede ultimate authority to the Securities and Investments Board, a quasi-state body.

Self-regulating

One solution would be to extend to the private sector the rules presently in force in the public sector. The Audit Commission, which has recently proposed a particularly effective representative of taxpayers' interests, stipulates that a firm cannot both audit a public sector body and act as its management consultant. A less draconian solution would be to insist on the rotation of auditors; to rule, for example, that every five years a company should hire a different firm to audit its books. Auditors would be kept on their toes if the new rule could be applied only after a committee review.

Conflicts of interest within the accountancy firms and the corporate sector's non-compliance with accounting standards provide a strong rationale for bringing accountancy within the remit of a body such as the SIB. Finance directors who are failing fully to disclose their results, often by engaging in forms of off-balance sheet financing which escapes the scrutiny of auditors. At the same time, the institute is aware that it needs to extend its disciplinary powers from individuals to firms if it is to control the activities of the latter.

The firms need strong regulation because conflicts of interest are intensifying as they diversify out of their core business of auditing. Several of the largest accountancy firms, including Coopers & Lybrand and Price Waterhouse, earn more than half of their income from non-auditing activities. The fastest growth area is management consultancy, although tax advice, a longer-established service, is also lucrative.

The fundamental question is whether a firm which audits a company's books on behalf of

Mr Arafat

under fire

MAR YASSIR ARAFAT, chairman of the Palestine Liberation Organisation, looks to have achieved what had been thought impossible. He has managed to unite on a single issue the governments of Syria, Israel and Jordan. The issue of course, is Mr Arafat's leadership of the PLO. Mr Arafat intends to stay, the others all want him to go.

The decision this week by King Hussein of Jordan to close the offices in Amman of al-Fatah, by far the largest constituent faction of the PLO and founded by Mr Arafat, is the latest and strongest evidence of the increasingly bitter battle over who should lead the Palestinian people. All the members of the lame-duck Arab League nominally accept the concept of an Arab nation with more or less common goals allowed the PLO to survive threatened disasters. When one avenue was closed, another was forced open. In 1970 the Palestinian cuckoo became too large for the Jordanian nest so it flew to Lebanon. But since it was driven out of Lebanon by Israel in 1982 it has been unable to find a resting place and would-be hosts have learnt from the experience of others.

In practical terms it meant that no one Arab nation was going to permit within its borders a large armed Palestinian presence which by its nature could threaten the fabric of the state. It is no coincidence that during the past few days Israeli forces have again been deployed in Beirut with the prime objective of frustrating Mr Arafat's efforts to re-establish a strong fighting presence in Lebanon.

Strong support

Having lost all military options, the only alternative for the PLO was a diplomatic offensive. It had, or so it seemed to King Hussein and other western-oriented Arab leaders, to play the one card left to it—that of a negotiated settlement based on its explicit acceptance of Israel's existence behind the pre-1967 borders. Such a decision would have

further alienated an already hostile Syria, but it would have won for the PLO leadership the strong support of Arab allies who would have imposed on those nations which actively supported United Nations Resolution 242 the obligation to test fully this new and hopeful opportunity which was being offered.

Instead Mr Arafat has left himself straddling the divide, neither in one camp nor the other, without a military option or benefit of diplomatic ideas to rally Arab countries or to draw the west into a active peace-making role.

Negotiated solution

Inevitably the coming weeks will see a further rash of recognitions and associations which can but add to the array of an Arab world suffering the prospect of yet deeper economic recession. More determined efforts will be made by Mr Arafat's enemies, new and old, to unseat him through cutting off his access to funds, promoting alternative leaders, or with cruder methods.

The bitter irony for the supporters of Palestinians, especially those living under Israeli occupation in the West Bank and Gaza, is that the same will be played out without reference to them.

Israel has refused all requests—the latest from Mrs Thatcher—to allow elections in the occupied territories from which could emerge genuinely representative Palestinian leaders.

Radical Palestinian factions, especially those based in Syria, have threatened to assassinate anyone deemed to be co-operating with Israel. King Hussein has begun exerting pressure on Palestinians living within his borders to indicate whether they are with him or against.

However, so far as can be judged, Mr Arafat still enjoys considerable support from within the occupied territories. There is no other Palestinian leader with his stature, experience or international exposure. And there is an understandable tendency for his constituents to rally round the beleaguered leadership at moments of stress.

It would be another sad error by Mr Arafat if he was to interpret this support in the negative manner he has so far demonstrated, as a reason for doing nothing rather than as the strength that it provides for him to try more positively for a negotiated solution.

THE MESSAGE major UK customers have been sending Austin Rover about its new executive car, the Rover 800, is uncompromising. "We have been told," says Peter Johnson, the company's sales director, "if you get the quality right, you will get the orders." And if we have quality problems with the Rover 800, we will deserve all we get.

BL shareholders at their annual meeting earlier this week also left Mr Graham Day, the new chairman and chief executive, in no doubt that their question is the ability of the Austin Rover subsidiary to produce good-quality cars. The 800 has become a car with which Austin Rover cannot afford to fail.

The launch of the Rover 800 marks the culmination of the company's product-led recovery programme. In the six years since the group stepped back from the verge of bankruptcy, human effort and expenditure of £1bn in state money has enabled the complete car range to be renewed.

The Rover 800 also holds a place in world automotive history. It is the result of the first-ever joint venture in which two car companies (Austin Rover and Honda of Japan) sat down together and jointly planned, designed, developed and manufactured a new model.

The car is designed to take Austin Rover back into the lucrative US market for European luxury cars. The place at the same time, because Honda will make the Rover 800 for Austin Rover in Japan, the new model will enable the UK group to establish a firm foothold in that country, the second-largest new car market in the world after the US.

None of this will be worth much, however, if Austin Rover's situation in its domestic market grows much worse.

Here, the Rover 800 has taken an importance it was never meant to have. It carries the burden of possibly being Austin Rover's last chance to claw back market share—and, above all, credibility.

There is certainly no lack of good will for the newcomer among the car leasing and fleet management companies who will be major customers for the 800. Those associated with unions about quality.

"There is still a great feeling among customers that they want to buy British. If Austin Rover can build it well, we'll buy it," says Mr Brian Mahoney, fleet sales director for Kenning Leaseline. "The Rover badge has powerful appeal. People keep buying the Rover SD1 (the big saloon the 800 eventually will replace) although it was notoriously unreliable."

Mr Steve Landau, managing director of Herondrive, says: "There is a tremendous desire for the Rover 800 to succeed. Austin Rover tells us it has got the quality right. But it has said that before."

At Gleco, another car leasing group, Mr Roy Foster, the managing director, is enthusiastic about the looks and performance of the 800. "There should

be a great deal of demand from our customers for the car,

provided the production quality

matches the quality of the

design and concept."

"Quality is everything in this

price range (the 800 models cost

from £11,520 to £18,794) and if

it hasn't got quality, it is

finished."

There is on the face of it

no lack of choice for potential Rover 800 customers. A flood

of new models, such as Ford's

new Granada/Scorpio, the

Renault 25, the Volvo 700

series, the Saab 900, the Lancia

Pronto and Fiat Croma has been keeping the executive car sector

busy, but the 800 has

been keeping the executive car

sector busy.

In reality, however, as Heron

drive's Mr Laudan says: "It's a

two-horse race in the UK execu-

tive car market: only Rover and

the Ford Granada really count.

Unless, of course, Jaguar

decided to come in with an

inexpensive model, which in the

past it has threatened to do."

The 800 can contribute to

wards rebuilding Austin Rover's

UK market share by creating

interest and excitement so that

customers will come back into

the showrooms—because to its

surprise, the 800 is popular.

Although the new 800 will be

sold in small numbers, perhaps

20,000 a year in the UK, people

who call in to see it out of

curiosity will not be able to

ignore the line-up of other,

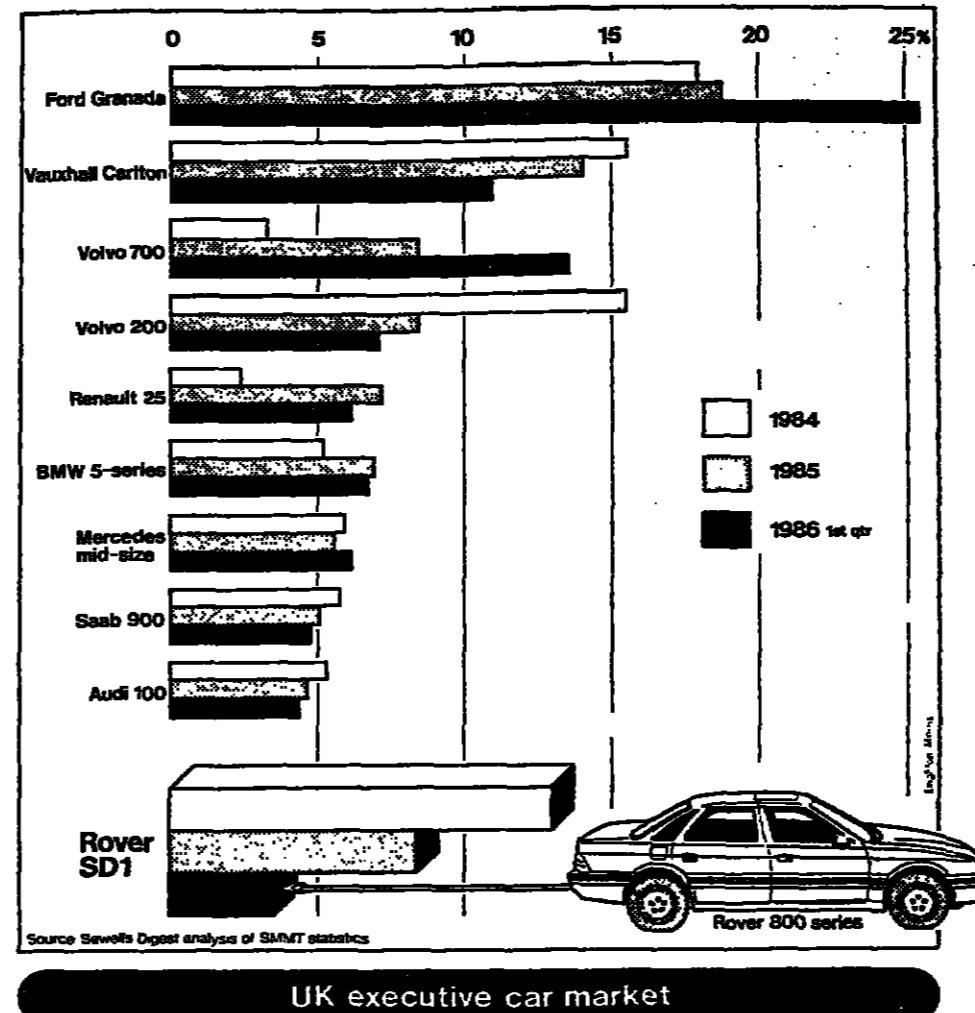
more-affordable Austin Rover

models in the showrooms.

UK MOTOR INDUSTRY

Rover seeks a Japanese halo

By Kenneth Gooding



If word gets around that the 800 is a well-built car, potential customers will be more willing to believe that other models in the range are of similar quality.

Apart from creating this "halo" effect for the whole Austin Rover range, the 800 might also leave a favourable impression, with decision-makers and politicians to whom the state-owned company, or its parent BL, might have to turn in the future for more finance.

Austin Rover certainly needs all the help it can get on the sales front this year. By the end of June its UK market share had fallen from 18 per cent to only 16.4 per cent and the volume of its domestic registrations had dropped by 11,000 to 157,578.

Mr Day suggests this has partly been caused by Austin Rover refusing to match the exceptionally large discounts offered by its major competitors to large fleet customers. The company also insists it was badly mauled during the political debate earlier this year over the future of some parts of state-owned BL. Although the future is mainly to do with the future of Land Rover and Leyland Trucks, unfavourable comparisons made about "British Leyland" in the House of Commons had a serious adverse impact on Austin Rover.

That might be so. But Austin Rover was already struggling to hold its position in the UK to hold its position in the UK straight to BL's Gaydon re-

market. Instead of the 20 to 22 per cent share it had hoped for last year, it achieved just under 18 per cent.

A major factor in the short-term fall was that the Montego, the company's mid-sized model which competes with Ford's Sierra and the General Motors-Vauxhall Cavalier, did not live up to expectations. Montego should have provided Austin Rover with a breakthrough into the big fleets between them account for 40 per cent of new car sales in Britain.

BUT the quality of the Montego—which was also at first enthusiastically received by fleet customers wanting to buy British—is in its early days simply not good enough. In May, Mr Musgrave, Austin Rover's chairman, tells me that the component probably cost his company its place as a potential fleet favourite and perhaps a 1 to 2 per cent market share.

The company also insists it was badly mauled during the political debate earlier this year over the future of some parts of state-owned BL. Although the future is mainly to do with the future of Land Rover and Leyland Trucks, unfavourable comparisons made about "British Leyland" in the House of Commons had a serious adverse impact on Austin Rover.

That might be so. But Austin

Rover was already struggling to hold its position in the UK

straight to BL's Gaydon re-

markets. Instead of the 20 to 22 per cent share it had hoped for last year, it achieved just under 18 per cent.

A major factor in the short-term fall was that the Montego, the company's mid-sized model which competes with Ford's Sierra and the General Motors-Vauxhall Cavalier, did not live up to expectations. Montego should have provided Austin Rover with a breakthrough into the big fleets between them account for 40 per cent of new car sales in Britain.

BUT the quality of the Montego—which was also at first enthusiastically received by fleet customers wanting to buy British—is in its early days simply not good enough. In May, Mr Musgrave, Austin Rover's chairman, tells me that the component probably cost his company its place as a potential fleet favourite and perhaps a 1 to 2 per cent market share.

The company also insists it was badly mauled during the political debate earlier this year over the future of some parts of state-owned BL. Although the future is mainly to do with the future of Land Rover and Leyland Trucks, unfavourable comparisons made about "British Leyland" in the House of Commons had a serious adverse impact on Austin Rover.

That might be so. But Austin

Rover was already struggling to hold its position in the UK

straight to BL's Gaydon re-

markets. Instead of the 20 to 22 per cent share it had hoped for last year, it achieved just under 18 per cent.

A major factor in the short-term fall was that the Montego, the company's mid-sized model which competes with Ford's Sierra and the General Motors-Vauxhall Cavalier, did not live up to expectations. Montego should have provided Austin Rover with a breakthrough into the big fleets between them account for 40 per cent of new car sales in Britain.

BUT the quality of the Montego—which was also at first enthusiastically received by fleet customers wanting to buy British—is in its early days simply not good enough. In May, Mr Musgrave, Austin Rover's chairman, tells me that the component probably cost his company its place as a potential fleet favourite and perhaps a 1 to 2 per cent market share.

The company also insists it was badly mauled during the political debate earlier this year over the future of some parts of state-owned BL. Although the future is mainly to do with the future of Land Rover and Leyland Trucks, unfavourable comparisons made about "British Leyland" in the House of Commons had a serious adverse impact on Austin Rover.

That might be so. But Austin

Rover was already struggling to hold its position in the UK

straight to BL's Gaydon re-

markets

THE WEEKEND before last I was perched in the Dolder Hotel, high above Zurich. The hotel was host to an inter-parliamentary conference on exchange rates and economic policy, inspired by the Democratic Senator Bradley and Republican Representative Kemp. This was the second of a series of conferences which began in Washington last autumn, when US Treasury Secretary James Baker talked a great deal of a new monetary order.

This time Mr Baker stayed away and left most of the argument to the parliamentarians. Many of these Europeans as well as Americans, fiercely attacked central bankers and finance ministry officials for refusing the monetary and fiscal stimulation they believed was required to maintain world growth.

This is an all-too-familiar debate. The parliamentarians assumed too readily that budget deficits (except in the US) make the world go round, while the officials, especially from Germany, put too much emphasis on hard-nosed financial policies and not enough on structural reforms and freedom of movement.

But before one can prescribe, one must diagnose. The most interesting new element was the difference over the current state of the world economy. That expansion was disappointing in the first few months of 1986 we knew. But was there still an incipient inflationary problem or had it been replaced by one of deflation?

Here the difference was not one of nationality or ideology, but between those who looked at national income statistics and labour costs, and those who looked at spot prices. The GDP deflator is rising at 2 per cent

Before one can prescribe, one must diagnose

a year even in Japan and Germany, while in the US it is rising by 2½ to 3 per cent.

On the other hand, wholesale prices have been declining in Japan; they have fallen by close on 10 per cent. In the US raw material prices have continued to slide, despite a large drop in the dollar.

Neither set of figures suggests strong inflationary forces. But the national income type analysis suggests some caution about re-stimulating demand, while the market-based figures suggest that the people who have been crying deflation, during every pause or halt since World War Two, may for once no longer be crying "wolf."

The spot market figures have



ECONOMIC VIEWPOINT

A view from high above Zurich

By Samuel Brittan

the disadvantage of being heavily influenced by external shocks—such as raw material and oil price movements. These movements may be either once-for-all, or reversible and in any case are unlikely to continue at their recent speed. So spot market indicators will exaggerate both inflationary and deflationary forces.

On the other hand, they have the advantage over national income data of being up-to-date and closer to what is happening on the ground. National income forecasters are notoriously bad at spotting turning points. The British Chancellor's view is that the international dangers of inflation and deflation are about evenly balanced—which means that the worldwide deflationary risks are taken seriously in London.

Although the conjunctural state of the world was left unresolved, I did leave Zurich clearer on one point, namely the relation between exchange rates and the current balance of payments. A paper by Professor Ronald McKinnon of Stanford argued that:

Exchange rate realignments will not eliminate trade or payments deficits in the face of a domestic savings-investment gap;

• It is still worthwhile avoiding gross exchange rate misalignments such as that which occurred when the dollar reached a peak of Y260 and DM 3.4 in March 1985.

As McKinnon remarks, the US trade deficit is a consequence of the development of an even larger US fiscal deficit. Thus the flow of savings available for financing US domestic investment has been reduced; and American investment is partly financed by overseas capital inflows, which are the mirror image of the US trade deficit. Inflows of foreign capital are necessary to prevent a sharp secular rise in real dollar interest rates and a sharp fall in US investment. This is so because the exchange rate pattern happens to be:

What good would a more realistic alignment of the dollar achieve? According to McKinnon, it will eventually relieve most of the "undue

pressure on American industries open to foreign competition—whether in farming, mining or manufacturing." Industrial firms will feel less need to petition for protectionism.

How can one reconcile better prospects for US business engaged in international trade, with a continuing large trade deficit? One possibility would be an expansion of the US economy and a balanced increase in exports and imports.

As this week's events on Wall Street show, the US might

realistic dollar may be a necessary, but not sufficient condition for such an expansion. It

may have to be buttressed by a domestic US stimulus. In view of the state of the US budget such a stimulus could not be fiscal, but would have to take the form of lower interest rates. If no further fall in the dollar is desired, the move to lower interest rates will have to be worldwide, involving Japan and Germany in the van, as well as the US.

McKinnon's view is that, just as the yen was far too low at

260 to the dollar at the time of

the dollar peak in March 1985, it is now too high at Y160. McKinnon's "purchasing power parity" target rate is Y200 to the dollar. Without necessarily accepting that rate, it is easy to agree that driving the dollar down further (some US commentators talk of Y120 to Y135 to the dollar) could set off a Japanese investment slump without even improving the US trade balance.

A complementary analysis by McKinnon is provided by Shauqi Islam, Visiting Fellow at the Washington Institute for International Economics. His paper, "Does Japan Save Too Much?", demolishes the proposition that because the US is running an unsustainable current account deficit through saving too little, the Japanese are saving too much. Adherents of this proposition believe that correction requires equal but opposite actions in the two countries. Islam demonstrates

that the Japanese face recession because of excessive yen appreciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-

ciation, the remedy is to reduce Japanese interest rates, with the appropriate remedy is surely to reduce US calls on world

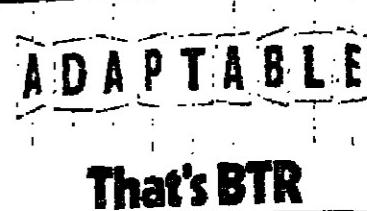
savings, rather than reduce the Japanese contribution. The latter course would put upward pressure on world real interest rates and reduce the supply of development capital to third countries.

If the Japanese face recession because of excessive yen appre-



FINANCIAL TIMES

Thursday July 10 1986



Safeway faces \$3.5bn hostile bid from Dart

By Louise Kehoe in San Francisco

THE DART GROUP, a privately-held US retailing concern, has launched a \$3.5bn hostile tender offer for Safeway Stores, the largest US supermarket chain, with a \$88 per share proposal that is expected to be strongly resisted.

Safeway has been the object of intense speculation on Wall Street since word began to circulate in May that Dart was buying Safeway's stock. In June, the bidding group said it had acquired a 5.9 per cent stake in Safeway with a view to acquiring a majority or all of the company's shares.

The rumours have driven Safeway's share price up sharply from about \$43 in mid-May to an opening price of \$58 yesterday. By lunchtime the shares were trading at the \$88 bid price, and were the most active on the New York stock exchange.

Safeway, which had 2,365 US retailing outlets at the end of 1985 and is based in Oakland, California, had no comment on the bid yesterday. The Dart Group, controlled by the Haft family of Maryland, is known for attempting unfriendly takeovers but its bid for Safeway is the most ambitious so far.

Safeway has taken several actions to repel the hostile takeover, including instituting a "poison pill" defence. As a condition of its offer the Dart Group is demanding the removal of poison pill share purchase rights. These would give other shareholders the chance to buy new shares, and thus dilute Dart's holding.

Safeway also filed a lawsuit against the Dart Group and the Harts in San Francisco last month, accusing them of attempting to "coerce Safeway into paying greenmail". Greenmail is the term commonly used to describe payments made by companies to hostile bidders to fend off a takeover.

Safeway's legal complaint also alleges that Dart's takeover bid is "part of a continuing pattern of illegal action" and claims that the Dart Group selectively "tipped" arbitrageurs about its purchases of Safeway stock. Safeway also accuses the Dart Group of being an "unregistered investment company". Dart has termed the suit "irrational and without merit".

Safeway's US stores are primarily west of the Mississippi, but the group also still has major foreign operations, despite the sale last year of outlets in Australia, West Germany and Toronto.

The group lifted net profits from \$185m in 1984 to \$231m last year, with disposals of less profitable stores helping to offset sluggish food sales in the US and intense competition. Sales last year were \$19.8bn.

CGCT urges Siemens to bid with French partners

BY DAVID MARCH IN PARIS

SIEMENS of West Germany is being encouraged to take over Compagnie Générale de Constructions Téléphoniques (CGCT), the French telephones group, in association with other French electronics companies in order to enlarge its competitive stake in France.

The plan, by Mr Claude Vincent, the CGCT chairman, would bring in Matra and Jeumont-Schneider, two French makers of business telephone equipment, alongside Siemens.

The plan, discussed recently with Siemens' executives, would boost efforts to counter the strength of Compagnie Générale d'Électricité (CGE), the country's dominant telecommunications grouping.

The proposals form a sub-plot to the complicated manoeuvring in European telecommunications centring on last week's agreement between CGE and ITT of the US, to pool their telephone assets.

West German market through its mooted takeover of Standard Elektrik Lorenz, the present ITT subsidiary in West Germany, which is the second switching supplier to the Bundespost after Siemens.

Ericsson of Sweden - with which Mr Vincent has strong links - as well as AT&T and Northern Telecom of Canada are also trying to take control of CGCT.

CGCT supplies up to 16 per cent of the French public switching market - assembling exchanges built under licence from Thomson, whose civil telephones business has now been brought under CGE control.

Siemens said this week it wanted to take over CGCT to give it a bridgehead in the French switching market. This would counterbalance CGE's prospective move on to the

Securities firms seek power to 'stabilise' new issues

By Alexander Nicoll in London

INTERNATIONAL securities houses, which have lobbied for and won key amendments to Britain's Financial Services Bill, are mounting a new campaign which they say is vital to London's future role as a centre for the growing global equity market.

They are asking for the Bill, which is setting up a new regulatory structure for London markets and is now before the House of Lords, to be altered so that prices of new share issues may be "stabilised" by securities firms managing issues.

The technique, used routinely in the Eurobond market and in the US equity market, involves putting in supporting bids just below the issue price in an attempt to ensure orderly distribution into the firm hands of investors.

Without an amendment, international firms say, London would cease to be a centre for so-called "Euro-equity" issues, and British companies and investors could become isolated from the global share market. It would be difficult for US share issues to be partly distributed in London, and major British companies, including those being privatised by the Government, might not be able to sell portions of their issues in the US.

Mr Ian Steers, chairman of the International Securities Regulatory Organisation (Isro), which is to be the self-policing body for international investment business in London, has outlined suggested methods for supervising price stabilisation in a letter to Mr Michael Howard, Minister for Corporate and Consumer Affairs, who is overseeing the Bill's passage through Parliament.

Department of Trade and Industry officials said yesterday that officials are considering whether to make an exemption for equity issues, as the Bill already does for international bonds.

They noted, however, that Mr Howard is known to be concerned about making an exemption for equities because he is not convinced that there would be adequate safeguards to protect investors. Eurobonds would be exempt from the ban on price stabilisation because they are sold generally to professionals rather than the small investor.

Opponents of stabilisation see it as manipulation, designed to maintain prices at artificially high levels at the expense of investors buying securities.

As the Bill stands, dealers intervening in the market to support the price of equity issues they were managing could be sent to prison for up to seven years, or fined, or both.

Issues in the growing market for equity-linked bond issues, such as convertibles and those carrying warrants to buy shares, would probably be subject to the same restriction.

The debate is important because London has played a prominent role in the rapid growth of the international equity market, and has been the centre for new issues which have employed the syndication techniques of the Eurobond market.

This involves the issuing company granting a mandate to a firm as lead manager, which effectively buys the issue and invites other firms into a syndicate as underwriters and co-managers. The syndicate then collectively bears any cost incurred by the lead manager in supporting the price.

In the first six months of this year, share issues of this kind, dubbed "Euro-equities," totalled \$32bn, virtually all co-ordinated from London. Companies such as Hanson Trust, Nestle, KLM, and Transamerica have been among those to use the new market which, Isro says, could easily move offshore because it has not yet developed the infrastructure in London of the much larger Eurobond market.

SIB annual report, Page 9

THE LEX COLUMN

Selling it back to the Indians

ing its interests in Wytch Farm and the North Sea gas prospects, which are exactly these elements most attractive to third parties.

Tranwood/Aitken

It seems a shade illogical of Aitken Hume to insist that Tranwood do its winning over of the independent directors of the US mutual funds managed by NSR within the London takeover timetable. After all, Aitken himself needed weeks when he took over NSR a couple of years ago and Tranwood has always made abundantly clear that its bid for Aitken was conditioned on these Amex's agreement.

However, if there is one fact in this muddled case it is that Tranwood holds or has acceptances for a little over half of Aitken's equity. Given that NSR is probably worth about £60m on the basis of its funds under management and reasonable earnings multiple, over half of Aitken's shareholders have decided that they should accept an offer of only £36m for the remaining businesses. Neither management is given much credit for its ability to extract value from these businesses although Tranwood has the edge.

Comparison with the Takeover Panel's provisional ruling on the Lloyd's/Standard Chartered affair is odious, but suggests that the panel likes facts as much as anyone and would be sympathetic to extension. With all the gravity of American due diligence prolonging the suspense, a quick solution is unlikely. Aitken Hume's management has all the greater responsibility to its shareholders and employees to accelerate the process.

Chinese torture

When Dean Witter Reynolds' head market analyst, Mr John Mendelson, changed from bull to bear and called for a 20 per cent correction in the market, he apparently did not realise how much it would cost parent company Sears Roebuck. His change of heart coincided with, or as some would argue caused, Wall Street's fall this week. Yesterday, Sears announced a plan for a 10m share secondary offering. Since its shares have fallen around 54 since the weekend, Sears might have raised \$40m more if it had known in advance what Mr Mendelson would say. Proof at last that Chinese walls do work in the US anyway, and how expensive they can be to maintain.

Nigeria, Ghana boycott games

BY ROBERT MAUTHNER AND PETER RIDDELL IN LONDON

NIGERIA and Ghana yesterday pulled out of the Commonwealth Games, due to begin in Edinburgh on July 24, in protest against the British Government's refusal to impose sanctions against South Africa.

The move by the two governments, which it is feared, might be followed by the withdrawal from the games of other Commonwealth governments, was seen as another blow for the UK Government's controversial South Africa policy, already in trouble over the mission of Sir Godfrey Howe to Africa.

A Government official in Lagos said that Nigeria's boycott of the Commonwealth Games had been ordered personally by General Ibrahim Babangida, the Nigerian President.

It was made clear in Lagos as well as in Accra, the Ghanaian capital, that the two nations were angry at what they considered to be Britain's support of the Pretoria regime and the inclusion of two South African-born women in the English team for Edinburgh.

Nigeria asked the Commonwealth Games Federation last month to investigate the inclusion of runner Zola Budd and swimmer Annette Cowley, both South Africans with British passports, in England's team. The Federation is expected to rule on their eligibility within the next few days.

The absence of Nigeria - the largest African member of the Commonwealth Games Federation - from the Edinburgh games will be a serious blow to the games organisers. The British Foreign Office yesterday also expressed "deep regret" at the decisions by Nigeria and Ghana, and hoped they would reconsider their positions.

"We do not believe that the decision is in the best interest of the Commonwealth or will do anything to advance the cause of peace in South Africa," the Foreign Office said.

This is not the first time Nigeria has pulled out of sporting events for political reasons. Nigeria and other African countries boycotted the Montreal Olympics in 1976 and the Commonwealth Games in Edmonton, Canada, in 1978.

monwealth - from the Edinburgh games, is felt as a serious blow by the games organisers. The British Foreign Office yesterday also expressed "deep regret" at the decisions by Nigeria and Ghana, and hoped they would reconsider their positions.

Nigeria asked the Commonwealth Games Federation last month to investigate the inclusion of runner Zola Budd and swimmer Annette Cowley, both South Africans with British passports, in England's team. The Federation is expected to rule on their eligibility within the next few days.

The absence of Nigeria - the largest African member of the Commonwealth Games Federation - from the Edinburgh games will be a serious blow to the games organisers. The British Foreign Office yesterday also expressed "deep regret" at the decisions by Nigeria and Ghana, and hoped they would reconsider their positions.

"We do not believe that the decision is in the best interest of the Commonwealth or will do anything to advance the cause of peace in South Africa," the Foreign Office said.

This is not the first time Nigeria has pulled out of sporting events for political reasons. Nigeria and other African countries boycotted the Montreal Olympics in 1976 and the Commonwealth Games in Edmonton, Canada, in 1978.

monwealth - from the Edinburgh games, is felt as a serious blow by the games organisers. The British Foreign Office yesterday also expressed "deep regret" at the decisions by Nigeria and Ghana, and hoped they would reconsider their positions.

Nigeria asked the Commonwealth Games Federation last month to investigate the inclusion of runner Zola Budd and swimmer Annette Cowley, both South Africans with British passports, in England's team. The Federation is expected to rule on their eligibility within the next few days.

The absence of Nigeria - the largest African member of the Commonwealth Games Federation - from the Edinburgh games will be a serious blow to the games organisers. The British Foreign Office yesterday also expressed "deep regret" at the decisions by Nigeria and Ghana, and hoped they would reconsider their positions.

"We do not believe that the decision is in the best interest of the Commonwealth or will do anything to advance the cause of peace in South Africa," the Foreign Office said.

This is not the first time Nigeria has pulled out of sporting events for political reasons. Nigeria and other African countries boycotted the Montreal Olympics in 1976 and the Commonwealth Games in Edmonton, Canada, in 1978.

monwealth - from the Edinburgh games, is felt as a serious blow by the games organisers. The British Foreign Office yesterday also expressed "deep regret" at the decisions by Nigeria and Ghana, and hoped they would reconsider their positions.

"We do not believe that the decision is in the best interest of the Commonwealth or will do anything to advance the cause of peace in South Africa," the Foreign Office said.

This is not the first time Nigeria has pulled out of sporting events for political reasons. Nigeria and other African countries boycotted the Montreal Olympics in 1976 and the Commonwealth Games in Edmonton, Canada, in 1978.

monwealth - from the Edinburgh games, is felt as a serious blow by the games organisers. The British Foreign Office yesterday also expressed "deep regret" at the decisions by Nigeria and Ghana, and hoped they would reconsider their positions.

"We do not believe that the decision is in the best interest of the Commonwealth or will do anything to advance the cause of peace in South Africa," the Foreign Office said.

This is not the first time Nigeria has pulled out of sporting events for political reasons. Nigeria and other African countries boycotted the Montreal Olympics in 1976 and the Commonwealth Games in Edmonton, Canada, in 1978.

monwealth - from the Edinburgh games, is felt as a serious blow by the games organisers. The British Foreign Office yesterday also expressed "deep regret" at the decisions by Nigeria and Ghana, and hoped they would reconsider their positions.

"We do not believe that the decision is in the best interest of the Commonwealth or will do anything to advance the cause of peace in South Africa," the Foreign Office said.

This is not the first time Nigeria has pulled out of sporting events for political reasons. Nigeria and other African countries boycotted the Montreal Olympics in 1976 and the Commonwealth Games in Edmonton, Canada, in 1978.

monwealth - from the Edinburgh games, is felt as a serious blow by the games organisers. The British Foreign Office yesterday also expressed "deep regret" at the decisions by Nigeria and Ghana, and hoped they would reconsider their positions.

"We do not believe that the decision is in the best interest of the Commonwealth or will do anything to advance the cause of peace in South Africa," the Foreign Office said.

This is not the first time Nigeria has pulled out of sporting events for political reasons. Nigeria and other African countries boycotted the Montreal Olympics in 1976 and the Commonwealth Games in Edmonton, Canada, in 1978.

monwealth - from the Edinburgh games, is felt as a serious blow by the games organisers. The British Foreign Office yesterday also expressed "deep regret" at the decisions by Nigeria and Ghana, and hoped they would reconsider their positions.

"We do not believe that the decision is in the best interest of the Commonwealth or will do anything to advance the cause of peace in South Africa," the Foreign Office said.

This is not the first time Nigeria has pulled out of sporting events for political reasons. Nigeria and other African countries boycotted the Montreal Olympics in 1976 and the Commonwealth Games in Edmonton, Canada, in 1978.

monwealth - from the Edinburgh games, is felt as a serious blow by the games organisers. The British Foreign Office yesterday also expressed "deep regret" at the decisions by Nigeria and Ghana, and hoped they would reconsider their positions.

"We do not believe that the decision is in the best interest of the Commonwealth or will do anything to advance the cause of peace in South Africa," the Foreign Office said.

This is not the first time Nigeria has pulled out of sporting events for political reasons. Nigeria and other African countries boycotted the Montreal Olympics in 1976 and the Commonwealth Games in Edmonton, Canada, in 1978.

monwealth - from the Edinburgh games, is felt as a serious blow by the games organisers. The British Foreign Office yesterday also expressed "deep regret" at the decisions by Nigeria and Ghana, and hoped they would reconsider their positions.

"We do not believe that the decision is in the best interest of the Commonwealth or will do anything to advance the cause of peace in South Africa," the Foreign Office said.

This is not the first time Nigeria has pulled out of sporting events for political reasons. Nigeria and other African countries boycotted the Montreal Olympics in 1976 and the Commonwealth Games in Edmonton, Canada, in 1978.

monwealth - from the Edinburgh games, is felt as a serious blow by the games organisers. The British Foreign Office yesterday also expressed "deep regret" at the decisions by Nigeria and Ghana, and hoped they would reconsider their positions.

"We do not believe that the decision is in the best interest of the Commonwealth or will do anything to advance the cause of peace in South Africa," the Foreign Office said.

This is not the first time Nigeria has pulled out of sporting events for political reasons. Nigeria and other African countries boycotted the Montreal Olympics in 1976 and the Commonwealth Games in Edmonton, Canada, in 1978.

monwealth - from the Edinburgh games, is felt as a serious blow by the games organisers. The British Foreign Office yesterday also expressed "deep regret" at the decisions by Nigeria and Ghana, and hoped they would reconsider their positions.

"We do not believe that the decision is in the best interest of the Commonwealth or will do anything to advance the cause of peace in South Africa," the Foreign Office said.

This is not the first time Nigeria has pulled out of sporting events for political reasons. Nigeria and other African countries boycotted the Montreal Olympics in 1976 and the Commonwealth Games in Edmonton, Canada, in 1978.

monwealth - from the Edinburgh games, is felt as a serious blow by the games organisers. The British Foreign Office yesterday also expressed "deep regret" at the decisions by Nigeria and Ghana, and hoped they would reconsider their positions.

"We do not believe that the decision is in the best interest of the Commonwealth or will do anything to advance the cause of peace in South Africa," the Foreign Office said.

This is not the first time Nigeria has pulled out of sporting events for political reasons. Nigeria and other African countries boycotted the Montreal Olympics in 1976 and the Commonwealth Games in Edmonton, Canada, in 1978.

monwealth - from the Edinburgh games, is felt as a serious blow by the games organisers. The British Foreign Office yesterday also expressed "deep regret" at the decisions by Nigeria and Ghana, and hoped they would reconsider their positions.

JOBS

Salaries in prospect for graduate recruits

BY MICHAEL DIXON

For instance, in 1985 chartered accountancy practices alone took almost one in every 20 of the 95,833 bachelor-degree graduates the UK produced.

Then again, however, the main reason for the sector's popularity may be that it offers the highest eventual reward for mediocrity too, at £20,200.

High tech pair

TWO POSTS with British arms or overseas high-technology groups are being tendered by recruited Alan Ahern (60-61 Quarry Street, Guildford, Surrey GU1 3UA; telephone 0483 502666). As he may not name his clients, he promises confidential treatment of any application who requests it.

One is a start-from-scratch job for an industrially successful qualified accountant as financial controller of a computer hardware company on the Surrey-Hampshire border. Salary about £35,000 with a car among perks.

The other is for an ace sales manager responsible for a range of consumer electronics products such as video equipment, to increase business in same as general manager designate of a London-based operation. Salary plus incentive earnings are scheduled to reach £35,000, again with a car among the other benefits.

Eurobond Sales and Trading

£20,000 - £100,000 plus

As established leaders in Eurobond recruitment we are in contact with a broad range of well known City firms, both UK and International. This places us in an ideal position to offer informed advice to those seeking career advancement.

With the continued demand for experienced sales people and market makers, there is an unprecedented requirement for candidates with a minimum of 1 year's active Eurobond experience in a recognised institution, particularly in the following areas:

Sales, covering: Trading:
 * Germany * US Straights
 * Italy * Canadian \$ Bonds
 * Benelux * FRNs
 * Scandinavia * New Issues
 * UK * Convertibles/Warrants

To discuss opportunities in greater detail please contact Sally Poppleton in complete confidence, on 01-404 5751 or write to her at Michael Page City, 39-41 Parker Street, London WC2B 5LH.



Michael Page City
International Recruitment Consultants
London Brussels New York Sydney
A member of the Addison Page PLC group

SPOTTING a young man standing in the factory doing nothing, the works manager pointed to a broom and told him to sweep the floor.

"But I'm a graduate trainee," the lad protested.

The manager looked apologetic. "I'm sorry, I didn't know," he said. "In that case, you'd better hand me the broom for a minute and I'll show you how to do it."

When that tale was told to me by a northern manager two decades ago, graduate entrants were still pretty rare in British industry. Today it appears to be more and more the rule than the exception for organisations to take a degree trainees from universities, and even postgraduates, for work with prospects of promotion to fairly high rank.

My suspicion is that the increased graduate recruitment is being undertaken, not so much in the hope of accentuating the positive, with a view to eliminating the negative. The bulk of executives and managers do not expect the average degree winner to be usefully competent or motivated to do anything in particular. It is just that they do expect the average non-graduate product of education to be demotivated and incompetent at everything.

While recruitment of graduates is increasing, however, considerable numbers of them

still end up unemployed or with at best a short-term job six months after getting their degree.

The share in that predicament in 1980, when the employment market was depressed, was 13.5 per cent. Last year, with demand still on the way to its present boom, the corresponding proportion was 13.8 per cent. Numerous employers are now complaining that they cannot fill their recruitment quotas.

One possible reason which has been voiced for the shortfalls is that UK organisations fail to offer the degree winners sufficiently tempting pay and prospects. But it is an argument that has hitherto been

largely speculative, not least because of a lack of generally available information on what the rewards being offered to graduates are.

The table above partly overcomes that lack by indicating the salary prospects for degree winners entering different branches of industry and commerce in the UK. The figures have been kindly supplied by the PA Personnel Services consultancy, which in March surveyed 182 big organisations as part of a research project for the Committee of Vice-Chancellors and Principals and the Association of University Teachers. The organisations questioned were planning to

recruit nearly 5,300 of this summer's new graduates. Any one wishing to know more about the survey should contact PA's Sheila Smith at 60a Knightsbridge, London SW1X 7LE; telephone 01-235 6080.

The figures show not only the average starting salary planned by the particular sector of employment for this year, but also the later average salaries in prospect for two different types of graduate recruit.

One is the worker who proves no more than acceptable. The other is the above-average performer. In each case, we

the predicted average salary—in terms of current prices—respectively after three

years, five years and 10 years of service.

As you can see, the sector which offers good performers the biggest salary advantage over their mediocre counterparts in the longer-term is distribution and retail.

The difference between the two types after 10 years is 56 per cent. The sector which offers the second biggest differential of 45 per cent is professional services—as exemplified by accountancy firms which also predict the highest average salary for above-average workers of £29,350.

Perhaps that is why degree winners find jobs in professional services so attractive.

BADENOCH & CLARK

EQUITY SALES

c.£50,000 + Bens + Bonus

A major institutional Stockbroker, confident of maintaining its enviable position after the 'October Revolution', is currently expanding its Sales desk. Of particular interest would be talented generalists with at least three years institutional sales experience or consumer sector brokers with some prior analysis experience.

The benefit package will be highly competitive, and the prospects for ambitious individuals keen to secure their future appear excellent.

PRIVATE CLIENTS EXECUTIVE

Our client, a leading UK Stockbroker well-integrated into a powerful international securities firm, is seeking a talented young Private Client Manager to complement an expanding team.

Prospective applicants will be graduates with at least two years Private Client experience, probably aged 25-32, and will be ambitious to take over part of an existing client base and to expand it further. This position offers excellent career prospects as well as an attractive remuneration package.

To discuss these positions further, in strictest confidence, please contact Stuart Clifford or Christopher Lawless.

Financial Recruitment Specialists
16-18 New Bridge St, London EC4V 6AU
Telephone 01-583 0073

The Financial Times
HAS A VACANCY FOR A
WRITER
ON THE LEX COLUMN

Applicants should be familiar with company accounting, the stock market and economics but more important than being a financial expert is numeracy, adaptability and interest in the subject. The successful candidate will also be a fluent and precise writer, able to compress complex material into a small space in an interesting way despite deadline pressure. He or she will be expected to work as a member of a team and to be willing to work irregular hours.

Applications, together with a full curriculum vitae and some examples of recent work, should be sent by July 25 to the

Managing Editor
FINANCIAL TIMES
Bracken House, Cannon Street
London EC4P 4BY

FINANCIAL TIMES
EUROPE'S BUSINESS NEWSPAPER

FUND MANAGERS OVERSEAS INVESTMENTS

Salary in excess of £20,000

Can you demonstrate the experience and ability to join our Overseas Branch which manages holdings of stocks and shares world wide? We are looking for someone who can take responsibility for a Section of the portfolio and has the confidence and knowledge to influence the overseas investment programme generally. We are particularly active in the US markets.

Applications together with a full CV should be sent to: Bob Gibson, Investment Manager, Electricity Supply Pension Scheme, 30 Millbank, London SW1P 4RD.

We have an equal opportunity policy

ELECTRICITY SUPPLY PENSION SCHEME

IT Consultancy

Total Solutions for Business Problems

UK & International

Principal to £30K + car
Senior to £25K

Our client, the professional services division of a major IT company, is a centre of excellence for IT consultancy and project management world-wide. Employing some 130 people, increased demand has created vacancies at both principal and senior consultant levels.

If you have in-depth experience of one of the following, let us hear from you:

- strategic IT consultancy
- management of large IT projects
- networking (voice and data)
- manufacturing systems esp. CIM, OMAC
- systems conversion and migration
- design methodologies e.g. SSADM
- database esp. IDMS
- 4th generation development techniques

Opportunities exist for foreign travel or expatriate assignments with generous allowances including accommodation and education.

Please send C.V. quoting reference 12/15FT or contact:-

AGB Executive

178 SLOANE STREET LONDON SW1X 9GG

Tel: 01-235 9891

FOREX APPOINTMENTS

For Forex, Capital Markets and Treasury appointments consult a specialist agency

TERENCE STEPHENSON

Prince Rupert House

8-10 College Hill, London EC1R 1AS

Tel: 01-248 0283

Financial Controller

c.£28,000+bonus+car

Aged in your 30's and a graduate qualified

accountant, you will have broad experience in a substantial manufacturing environment and possess a good working knowledge of IT. You will be positive, outgoing, self-reliant, flexible and a good communicator with strong interpersonal skills. Success in this post will lead to career development in general management or within the finance function either in the UK or overseas.

Please send a detailed c.v., including daytime telephone numbers, in strict confidence to George E Cross ACMA at Management Appointments Limited (Search & Selection Consultants), Finland House, 56 Haymarket, London SW1Y 4RN. Tel: (01) 930 6314.



VICE-PRESIDENT

MARKETING

EUROPE

Our Client, a long established International Organisation with headquarters in Switzerland, offers this exciting career opportunity.

Our Client's concept of providing specialised services and products to industry, worldwide, has produced unequalled results in terms of improved performance and profitability.

Please contact us if you are between 35 and 45 years of age and have the following qualifications:

- ENGINEERING GRADUATE
- SUCCESS IN MARKETING AND SALES
- SENIOR MANAGEMENT EXPERIENCE

To preserve confidentiality, should an applicant not wish to be considered for a particular company, please indicate this under separate cover and the application will be returned unopened.

Please submit a detailed C.V. quoting ref: 372 to:

The Senior Partner
RAWLINSON AND HUNTER
One Hanover Square, London W1A 4SR

TRUSTEE ADMINISTRATOR for UNIT TRUSTS

Our client is a major financial institution. As part of a major expansion programme, they seek an experienced trustee administrator with broad knowledge of the regulatory and administrative matters associated with the trusteeship of unit trusts. Candidates are likely to be working in a U.K. bank or insurance company with a proven name in this area, and should also have had some managerial experience. Client contact is an integral part of the position.

This opportunity carries considerable responsibility which salary and benefits will reflect accordingly.

Interested candidates should contact Kevin Byrne
on 01-588 6644 enclosing a full curriculum vitae.
All applications are treated in strictest confidence.

Anderson, Squires Ltd,
Bank Recruitment Specialists,
127 Cheapside, London EC2V 6BU

Anderson, Squires

HongkongBank Limited

Eurobond Settlements Staff

HongkongBank Limited is the European merchant banking arm of the HongkongBank Group. As a result of significant expansion in current trading activity we require additional Eurobond Settlements staff.

Candidates should have 2 years Eurobond experience including Euroclear and Cedel as well as experience of primary and secondary trades in Straights and FRNs covering the major currencies. US Treasuries and Domestic DEM exposure would be an advantage.

Salary will be negotiable dependent upon experience and potential and will reflect current market conditions. Candidates are invited to write in confidence with full personal and career details to Mrs. V. P. Daly, Personnel Officer, HongkongBank Limited, Wardley House, 7 Devonshire Square, London EC2M 4HN.

TRENT POLYTECHNIC
Department of Business and Management Studies
PRINCIPAL LECTURER IN CORPORATE STRATEGY
(£14,013-£16,672 pa)
This imaginative and innovative department runs successful business management courses for undergraduates, postgraduates and professional students, and now seeks a Principal Lecturer in Corporate Strategy. Candidates must demonstrate a successful track record in this area, particularly in the field of strategic consulting. An active interest in producing case material is a particular advantage. Further details and forms of application are available from the Staff Officer, Trent Polytechnic, Barton Street, Nottingham NG1 4JL, quoting ref: 12/15FT. Closing date 25 July 1986. Please quote Post Ref No: BD229.

LEADING FRENCH STOCK BROKER
EXPANDING INTERNATIONALLY WISHES TO RECRUIT ITS LONDON BASED REPRESENTATIVE
The candidate, male or female, aged 28-35, is to provide a service to UK based financial institutions on French stocks and promote such services. Bilingual English/French with at least 3 years' experience of the French Market and research/sales oriented. Based in the west-end he/she will make regular visits to the Paris office. This position is a challenging opportunity for a highly motivated individual within the context of a rapidly growing firm which already has international presence in the US and Switzerland. Fixed salary plus commission sharing. Your CV is welcome to the following address:
Paris London Finance c/o Mr. Rey
8 Rue St. Faustre
Paris 75002
France

II

8

6

2

BY
AUS
cars,
ed. ir
Japa
betw
some
be a
Mi
of th
insti
Rov
pens.
give
flee
pile
time
T
nan
firs
car
Ho
sign
I
Ro
pla
gro
car
pa
tro
so
ca
en
ci**Harrison & Willis****TAX MANAGER****US BANK****c.£35,000 package + car**

Innovation in new capital market products and excellence in global banking have given our client a leading role in the financial services revolution.

As one of the most prestigious financial institutions in the world, they need a high calibre candidate, aged 27-35. The ideal candidate will presently be a Manager with a major London firm, preferably with banking clients. Experience of advising on the implications of new products would be invaluable and excellent communications abilities are essential.

The role will involve compliance and advisory work in relation to investment banking activities, provision of information and training to marketing personnel and assistance in the development of tax efficient products.

This post carries a most attractive range of benefits including a substantial mortgage subsidy, bonus, executive car and non-contributory pension.

If you feel that you have the necessary qualities and would like to discuss this opportunity further please telephone **Graham Palfrey-Smith** or **Joan Nichamin** on 01-629 4463 (or 01-697 6811 after 8.00pm) or write enclosing a full career history quoting Ref GJPS 334 to the address below..

HARRISON & WILLES LIMITED, CARDINAL HOUSE, 39-40 ALBEMARLE ST., LONDON W1X 3PD. TEL: 01-629 4463.

Outstanding opportunity for a

U.K. MARKETING MANAGER
Major European Bank

Our client is one of the world's largest banks, recently established in London and now poised for considerable expansion, both in traditional banking activities and in a number of specialised areas.

As part of this expansion, the Bank intends immediately to recruit a dynamic Marketing Manager whose primary responsibility will be to drive forward a significant extension of the UK corporate customer base. This is virtually an inaugural role within the branch.

The ideal candidate is likely to be a university graduate aged about 30, with several years' international banking experience concentrating on developing and maintaining relationships

with major and medium-sized UK corporates. He/she should have a sound credit background and be aware of the newer financial instruments in addition to traditional commercial banking products. Personal qualities of energy and persistence are important.

The scope and potential inherent in this situation must be self-evident, combining as it does the flexibility of a small, though rapidly expanding unit with vast financial resources.

Salary will reflect the seniority of this position and its importance to the Bank. In addition, our client offers the usual range of executive banking benefits, including a car.

*Immediate applications are invited, with a view to shortlisting by Friday 18th July.
Please contact Anita Harris; telephone 01-588 6644, or send a detailed Curriculum Vitae in confidence to the address below.*

**Anderson, Squires Ltd.,
Bank Recruitment Specialists,
127 Cheapside, London EC2V 6BU**

Anderson, Squires

MORGAN GRENFELL ASSET MANAGEMENT LIMITED

UK Pension Fund Manager

Morgan Grenfell Asset Management Limited manages funds worth £13 billion for over 300 UK and overseas institutional clients. It is seeking an experienced Fund Manager to join its expanding UK pension fund management team.

The successful applicant, who is likely to be a graduate with several years' experience of portfolio management, will be expected to contribute to the development of investment strategy and will be directly responsible for the management of client portfolios.

The post offers excellent career opportunities and remuneration package including mortgage subsidy, non-contributory pension and BUPA.

Please reply in writing, enclosing full curriculum vitae, to:

Sally Barnes
Personnel Manager
Morgan Grenfell Group plc
23 Great Winchester Street
London EC2P 2AX

**MORGAN
GRENFELL**

**Appointments
Advertising**

£41 per Single Column
Centimetre and £12 per line

Premium positions will be charged £49 per Single Column
Centimetre

For further information call

Louise Hunter

01-248 4864

Jane Liversidge

01-248 5205

Daniel Berry

01-248 4782

NOTICE OF CHANGE EFFECTIVE 1st JANUARY 1987. PREVIOUSLY
THE BASIC RATE FOR ADVERTISING IN THE FINANCIAL TIMES WAS
PROVEN ADVERTISING. TO SET UP NEW RATE, TO
INCLUDE THE COST OF ADVERTISING IN THE FINANCIAL
TIMES AND THE COST OF ADVERTISING IN THE
ECONOMIST OR THE GUARDIAN, THE FINANCIAL
TIMES WILL CHARGE THE SAME RATE AS THE
ECONOMIST OR GUARDIAN FOR ADVERTISING
IN THE FINANCIAL TIMES.

BUSINESS ANALYSTS

INTL BANKING CITY BASED \$20-30K + Car

Developing a totally new banking system encompassing all areas of international bank operations and markets, from dealing room through back office accounting and reporting, requires both massive financing and a large commitment. Our clients, with 15 years experience in systems development for international banks, is joining forces with Britain's leading clearing bank. Together they are making that investment and commitment. A number of key appointments are now to be filled to spearhead the development of this challenging project.

With a strong background in the use of computers for international banking operations, your experience initially will be fully utilised in producing the functional design of this new system. A detailed knowledge of at least two main areas of banking is mandatory. Exposure to specification requirements using formal methodologies would be an advantage. Applicants should ideally be educated to degree level and aged between 25-40.

This is an exciting career move for banking professionals who have a genuine interest and desire to play an important part in the development of new computer systems using the latest technology available to last well into the 21st century.

To discuss these opportunities in more detail please telephone Tony Berry or Corinne Ingram on 01-836 8144 or 0273 676263 evenings and weekends. Alternatively send your CV to the address below quoting reference No. 1615.



RECRUITMENT CONSULTANTS

30-32 SOUTHAMPTON STREET, COVENT GARDEN, LONDON WC2E 7HE TEL: 01-836 8144

New York City is the home of Chemical Bank—the sixth largest bank in the United States, with more than 160 years' experience of meeting business and personal financial needs.

Serving individuals, corporations, financial institutions and governments worldwide, Chemical offers a resource, a vast resource, of technical expertise in commercial banking, investment banking and capital markets.

Within Chemical, the World Banking Group is organised specifically to support and influence the international economy by providing some of the highest quality and most competitive products available in the financial services marketplace.

And to maintain our sound and profitable relationships with an enviable customer base, we take great care in devising flexible corporate strategies, capable of responding quickly to the current powerful forces of change: technology, deregulation, customer demands and global competition.

World Banking Group

CHEMICAL BANK

Jonathan Wren

LEASING/ASSET FINANCE

LEASING EUROPEAN OPERATIONS MANAGER

Our client, a recognised leader in a specialised field of leasing throughout Europe seek to recruit a qualified AC/AMBA for the above position. Applications are invited from high calibre candidates aged about 35 years, who can clearly demonstrate at least five years senior management experience encompassing comprehensive US/European reporting and accounting methods, complex financial problem solving, leasing/asset finance operations including funding, legal and fiscal implications and the ability to co-ordinate a full marketing support function utilising proven "people management" skills. A good command of the English language and fluency in French with a true "European" background is essential.

AIRCRAFT ASSET FINANCE

£40,000 to £70,000 + benefits

We seek applications from senior aircraft specialists currently enjoying a well deserved professional reputation within the asset division of a major merchant or international bank. With responsibility for the existing aircraft portfolio, the successful applicant's prime function will involve the marketing and structuring of major asset finance packages and the provision of a financial advisory service to major international companies. Aged 32 to 35 years, of graduate calibre, the appointee will possess a sound knowledge of the current, UK, US and European markets and associated legal/financial requirements; the professional expertise to identify development opportunities and the inherent technical ability to formulate complex financial packages. Both the level of appointment and the high degree of responsibilities awarded are reflected in the financial package available, which includes, salary, generous bonus, mortgage subsidy and company car.

FINANCIAL CONTROLLER - LONDON

£30,000 to £40,000 plus full benefits

The incumbent, aged 32 to 36 years, will assume full responsibility for all statutory regulatory accounting and management reporting, expenses control, budgets, forecasting, cash flow and treasury and tax functions. Our client is a major US bank who offer ample scope for promotion within their organisation. Applicants will be ACAs, currently employed within a major bank, preferably American, and have experience of managing junior qualified and un-qualified accounting specialists. Some European involvement and ideally French or German language ability would be advantageous.

BANK ACCOUNTANT

£18,000 to £25,000 plus full benefits

We have two further exceptional junior opportunities for graduate ACAs, aged 27 to 32 years, to work in a similar environment as described above.

Please contact Brian Gooch or Jill Backhouse.

All applications will be treated in strict confidence.

SYDNEY

Jonathan Wren

Recruitment Consultants

170 Bishopsgate, London EC2M 4LX. Tel: 01-623 1266

HONG KONG

DIRECTOR/GENERAL MANAGER LICENSED DEPOSIT TAKER - MANCHESTER SUBSTANTIAL SALARY AND BENEFITS

Burns-Anderson PLC, the Manchester based investment holding company, wishes to recruit a Senior Executive for its expanding Financial Services Division which has interests in merchant banking, hire purchase and leasing, trade-finance, personal financial planning and insurance broking.

Initially the appointment will be as Director and General Manager of Burns-Anderson Trust Company Limited, the Licensed Deposit Taker, but the ability to accept further responsibilities both within the financial services division and in the future, the Group, is essential.

Qualified candidates should be in their late thirties or early forties, have gained wide experience in banking and financial services and possess the determination, personality and entrepreneurial flair to inspire and direct the future course of the company.

The rewards offered comprise a substantial salary and benefits package (in excess of £30,000) and in due course, share options.

Applicants should send their C.V.'s to Dorian Marks, Durston & Marks Search and Selection Limited, No 1 Central Street, Manchester M2 SWR. Tel: 061 832 2266 Ref. 2238

DURSTON MARKS
SEARCH AND SELECTION LIMITED

WHAT IN THE WORLD IS CREATIVE FINANCING?

It's the basis of all Chemical Bank's advanced thinking and successful practice in world banking, the focus of our global vision.

It's unrivalled adaptability in custom-fitting services to particular markets, based on credit expertise and an in-depth understanding of each client's business.

It's the deployment of resources for growth and profitability, whilst co-ordinating risk management, in an environment where the line between commercial and investment banking is increasingly blurred and capital markets have a growing significance.

It's the ability to see the truth beyond the numbers, the innumerable possibilities of contemporary banking.

And it could mean a great future for you with a bank that's already geared to the 1990s.

World Banking Group

CHEMICAL BANK

FX AND INTEREST RATE DEALERS

£25/£30,000 plus benefits

Two excellent opportunities have arisen within prestigious European Banks for sharp young dealers with the following profile:

- (a) F.X.: Experience of Inter-Bank, Basic Spot and forward on E.C.U., Sterling and F.Fr.
- (b) Interest Rate: All interest related instruments, C.D.s, Futures, FRAS, Swaps, etc.

Call Robert Milne
CRAWFORD RECRUITMENT
01-631 5045

Appointments Advertising

£41 per Single Column Centimetre and £12 per line

Premium positions will be charged £49 per Single Column Centimetre

For further information call:
Louise Hunter 01-248 4864
Jane Liversidge 01-248 5205
Daniel Berry 01-248 4782

KLEINWORTH BENSON LIMITED

Financial Futures Trader

The Treasury Division in London is seeking a person with a minimum of 3 years dealing experience in Financial Futures markets to conduct and co-ordinate its dealing activities in those markets.

The successful applicant will trade actively from within the Currency Treasury dealing room placing major emphasis on Eurodollar and Treasury Bond futures contracts.

A thorough technical knowledge of Financial Futures and proven charting ability is essential as is a sound working knowledge of foreign exchange and money market activities.

The importance of this appointment will be reflected in a highly competitive remuneration package.

Applications in strictest confidence to:-
Mrs. Elaine Douglas, Assistant Manager - Personnel,
Kleinwort Benson Limited, 20, Fenchurch Street, London, EC3P 3DB.

Kleinwort Benson Group

Regional Manager, Southern Europe Direct International Expansion

With an established network of branches and offices worldwide and an enhanced ability to service its global client base, this major international Bank provides a complete range of retail and wholesale banking services. Maintaining its policy of continued development, London, as the European Headquarters, now seeks to recruit a further specialist for the Southern European Region.

As Regional Manager, Southern Europe, your primary role will encompass responsibility for credit for the corporates, banks and countries located within your geographic area. Reporting directly to the Credit Committee, you will generate new and maintain existing relationships and manage the credit and country risk exposure. Additionally, you will maximise marketing opportunities by fully utilising the Bank's

product specialists within the treasury and capital markets areas.

You have an excellent background in credit and between 10-15 years international banking experience with a minimum of 5 years front line calling. Fluent in Italian and Spanish, you are able to assess credit applications in both languages. Mature and diplomatic, you can interface with people at all levels, both externally and within the Bank.

Prospects for further advancement are excellent. Salary is negotiable, commensurate with experience and an excellent benefits package will be offered. Please telephone or write, in complete confidence, to Carmina Leon Ogle of Cripps, Sears & Associates Limited, Personnel Management Consultants, International Buildings, 71 Kingsway, London WC2B 6ST. Tel: 01-404 5201.

Cripps, Sears

SENIOR & JUNIOR MARKETING OFFICERS

You must be either a senior international banker with 8-10 years' experience and an excellent capital markets product knowledge, or a 3-5 year experienced international marketing officer with an awareness of capital markets activities and the potential for senior status.

To deal effectively with major bank and corporate customers in the UK, Scandinavia and the Benelux as well as Chemical's UK leasing market, you should be skilled in presentation, communication and relationship-building, as well as being innovative in your approach to financial problem-solving. Ref. WBG UK1.

CREDIT OFFICERS

If you have US bank credit course training and a minimum 18 months' experience in credit analysis, we can offer you an exceptionally challenging and rewarding credit career pathway, with the possibility of progression into marketing at a later stage. Ref. WBG UK2.

TAXATION SPECIALISTS

To provide taxation expertise for all sections of the World Banking Group, including our specialised leasing division, you must combine a professional qualification with at least 5 years' relevant finance experience and a European cross-border tax background. You should also be confident in the evaluation of credit risks and the appraisal of transaction structures. Ref. WBG UK3.

MORTGAGE & INSURANCE MARKETING

To be part of a new team dealing with builders, insurance companies, corporate customers and financial institutions, with responsibility for Chemical's market-leading high-value mortgage products, you'll need 8-10 years' experience in the mortgage and related financial services field, especially insurance, for a senior appointment, or over 3 years' similar experience to start in a less senior role.

We'll also expect genuine new product development and sales ability. Ref. WBG UK4.

MORTGAGE LENDING OFFICERS

Within our fast developing mortgage business we recognise that credit authority experience is essential.

As well as a background in lending we're looking for an in-depth knowledge of current market trends and lending sources. Ref. WBG UK5.

GRADUATES

Six months' credit training in New York, starting October, is the incentive, if one were needed, for dynamic, numerate and communicative graduates, with a good degree or equivalent, to enter a credit or marketing career with Chemical Bank. Ref. WBG UK6.

If the prospects interest you, the benefits will convince you. Your package will comprise an excellent salary, subsidised mortgage, personal loan and profit-sharing schemes, private medical insurance, non-contributory pension, free staff restaurant plus company car for senior positions.

Please write with full career details and quoting job reference number to Carole Evans, Personnel Manager, Chemical Bank, 180 Strand, London WC2R 1EX.

IV

8

BY
AUST
cars
ed in
Japa
betw
some
be at
Mi
of t
invis
Row
pens
ny.
give
flee
time
T
nan
firs
car
Ho
sign
I
Ro
pla
grc
car
par
801
ca
cr
te
US

New Issues Executive

Morgan Grenfell Securities is a major company within the Morgan Grenfell Group, committed to the domestic and international equity markets, gilt-edged, traded options, eurobonds and financial futures.

As a result of the Group's leading position in the new issues market, Morgan Grenfell Securities is seeking to strengthen its existing corporate team by recruiting a specialist in all Stock Exchange aspects of new issues. The position demands initiative, drive and good communications skills together with a comprehensive knowledge of the Stock Exchange listing requirements and procedures.

The successful applicant can anticipate excellent career prospects and a competitive remuneration package.

Please write giving full details of career to date to:

Diane Springham
Morgan Grenfell Group plc
23 Great Winchester Street
London EC2P 2AX

**MORGAN
GRENFELL**

Economist

An influential role with Ford of Europe
up to £16,000 pa + car

Ford seeks a professional Economist with broad experience to join our Economic Studies Department located at our Central Office in Brentwood, Essex. The successful applicant will join a small but influential team whose role is to analyse key economic, vehicle market, and political trends affecting Ford activities throughout Europe. It will be your responsibility to analyse short and longer-term economic developments and to evaluate their impact on the Company's business. It is a challenging role requiring the ability to adapt to fast-moving highly competitive international business and to operate efficiently under pressure. Good communications with both fellow economists and Ford management will be vital.

Our need is for a successful man or woman, probably in his

or her late 20's, with a good economics degree and at least three years' experience in an Economics-related field. This experience could have been gained either in industry, in a private or Government research function or in a Higher Education establishment. Knowledge of a second European language would be an advantage.

Prospects for advancement are significant. We offer an initial salary of up to £16,000 pa, depending on experience, plus an attractive lease car facility and the big Ford benefits package which includes relocation assistance where appropriate.

Please write with sufficient details to make an application form unnecessary to Vida Leigh, Room 1/578, Ford Motor Company Limited, Eagle Way, Warley, Brentwood, Essex. Tel: Brentwood (0277) 252309.



Ford

Credit Controller

a creative and central role in financial services
to £25,000 + bonus + car
South East

- * develop policies and systems which directly impact on corporate profitability
- * contribute to the development of a new business with involvement across the board
- * operate in a high profile role where success leads to rapid career progression

Our client, an international market leader in the provision of financial services, has recently formed a new subsidiary to take advantage of the increasing demand for consumer credit from its existing customers. From small beginnings it is already growing rapidly and over the next few years will become a major profit contributor. Central to the success of this new venture is the establishment of sophisticated credit control procedures.

The Credit Controller, reporting to the Director of Operations and Finance, will be totally responsible for formulating the policies and systems which enable the function to successfully negotiate the hazardous divide between credit acceptance and credit risk. This balancing act requires a subtle blend of creativity and good judgement. As a key member of the senior management team he/she will be involved in the development of new financial products and services and will also contribute across the wider spectrum of the business.

We are interested in candidates with five years experience of the credit control function, probably as a Senior Credit Analyst or Assistant Credit Controller with one of the more progressive Finance Houses. You will be involved currently in the statistical and modelling aspects of credit control as well as managing the detail of day to day operational demands. An attractive salary with car and other substantial benefits together with relocation is available. Age guide: 27-35.

Write or telephone (24hr) for application form and further details: ref.2193.

C KIDDY & PARTNERS
Recruitment and organisation consultants
43 Queen Square, Bristol BS1 4QR. Tel: (0272) 215275.
BRISTOL ★ LONDON

Computer Audit Specialist

Bahrain c£22,000 (currently tax free)

- Free furnished accommodation and utilities
- Free primary schooling in Company School
- Generous assistance towards secondary education for eligible children

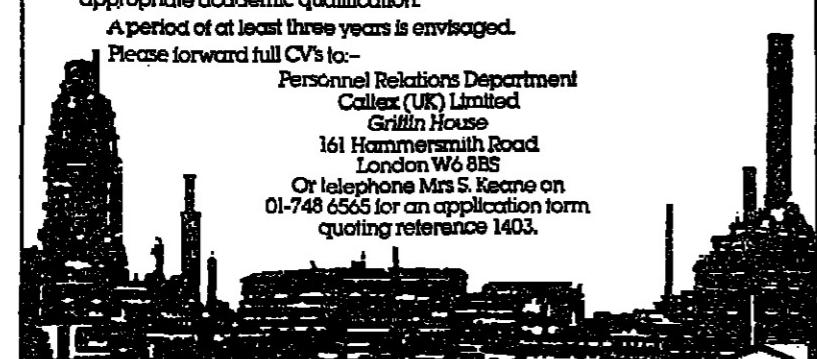
The Bahrain Petroleum Company BSC (Closed) wishes to appoint a Computer Audit Specialist.

The Company operates IBM 3083 and 4341 Mainframes under MVS supporting an extensive communications network. Systems are developed utilising a company-wide TOTAL database.

The successful candidate will be responsible for all aspects of Computer Auditing; in addition a working knowledge of database systems, communications and interrogation software techniques, COBOL, and personal computers would be beneficial. Considerable in-depth practical experience is essential and we look for an Accountancy or appropriate academic qualification.

A period of at least three years is envisaged.

Please forward full CVs to:
Personnel Relations Department
Collett (UK) Limited
Griffin House
161 Hammersmith Road
London W6 8PS
Or telephone Miss S. Keane on
01-748 6563 for an application form
quoting reference 1403.



US Investment Bank Equity Settlements Manager c£30,000 + Benefits

As a result of rapid expansion, our client, who has a significant presence in the equity market, currently seeks a high calibre settlements specialist to head up its Equity Settlements team. Candidates, preferably in their late 20's - mid 30's, should have had extensive experience of US and International equities, as well as a knowledge of equity related products including convertibles and warrants. Strong management reporting skills are essential. Responsible for a staff of 30, the successful applicant will have the ability to control and co-ordinate the day-to-day activities of this highly successful team. A continuing involvement in the development of systems procedures within a fully computerised environment will be a major part of the role.

The remuneration package is negotiable, according to previous experience, and benefits will include a generous bonus. Interested candidates should contact Kate Syms on 01-404 5751, or write to her, enclosing a comprehensive Curriculum Vitae, at 39-41 Parker Street, London WC2B 5LH, quoting ref. 3651. All applications will be treated in the strictest confidence.



Michael Page City

International Recruitment Consultants—London Brussels New York Sydney

A member of the Addison Page PLC group

Appointments Advertising

£41 per Single
Column Centimetre
and £12 per line

Premium positions will
be charged £49 per
Single Column
Centimetre

For further information call

Louise Hunter

01-248 4864

Jane Liversidge

01-248 5205

Daniel Berry

01-248 4782

Marketing Fund Management

The opportunity of marketing
Global Fund Management to top quality institutions

This is an opportunity to move into a marketing role with one of the world's most sophisticated fund managers. Daiwa International Capital Management Company (UK) Ltd is an affiliate of the largest private investment company in Japan, and a member of the Daiwa Securities Group. It manages funds invested both in the Far East and globally on behalf of a growing number of top quality institutions. Its growth is founded in the quality of service and performance, in turn stemming from its ability to view investments in a global context and from the profound quality of its research capability.

Your responsibilities will be for the identification and development of new business amongst institutional investors in the UK and Europe, and for maintaining and developing

business with existing clients in this area. You will be required to make occasional visits to Tokyo to keep abreast of market developments.

To be a candidate you must have a good business orientated degree and previous experience in fund management in either a marketing, analysis or fund management role. You must also have a knowledge of the Japanese economy. This is a career opportunity with good advancement potential and an outstanding salary and benefits package which includes a subsidised mortgage.

To apply please write with curriculum vitae to John Sears, Cavendish Court, 11/15 Wigmore Street, London W1H 9LB or telephone 01-629 3532.

John Sears

Administration & Control Financial Services

South West

£25,000

Our client is a leading Devon based investment and financial services company acting for private and smaller commercial clients both in the UK and overseas. It seeks an exceptional individual, probably aged mid-30s, who will manage and administer all aspects of business transactions including client investment, valuations and quotations as well as internal accounting records and systems development.

Reporting to the Managing Director and a member of the senior executive team, the successful candidate will be highly experienced in investment and insurance administration and possess a broad knowledge of personal finance products. Depth of business experience is more important than formal qualification, but a record of achievement to date is mandatory. Opportunities for career development are almost unlimited.

For full job description write in confidence to Mark Lockett at Mark Lockett Recruitment, 104 Marylebone Lane, London W1M 5FU showing clearly how you meet our client's requirements, quoting 605/FT.

MLR

in association with

John Courtis and Partners

Pension Fund Management in excess of £3½ bn.

One of the largest in the UK, the British Gas Pension Fund is in excess of £3½ bn. Based in Holborn, our Pension Fund Management Division now has an interesting opportunity for a lively individual to take on the high degree of responsibility reflected by this level of investment.

Assistant Portfolio Manager

This new position will be responsible for part of the Fixed Interest portfolio, working alongside the Portfolio Manager (Fixed Interest) and offers considerable investment discretion and a need to demonstrate market flair.

The successful candidate will have relevant investment experience and be able to demonstrate the ability to make sound investment decisions. A degree or relevant qualification is required.

For further details please write with full CV, quoting ref.MRT/PF2 to: Senior Personnel Officer (HQ Services) British Gas Corporation, 59 Bryanston Street, London W1A 2AZ.

An equal opportunities employer.

British Gas

FAR EASTERN FUND MANAGER

Based in Hong Kong

A major International Fund Management Group is currently expanding its Far Eastern operations and wishes to strengthen its team by recruiting an additional fund manager.

Ideally aged twenty five to thirty five, you must have gained a detailed knowledge of Far Eastern stockmarkets with either a financial institution or stockbroker. Particular emphasis will be given to experience of investment in Hong Kong and Singapore.

An attractive remuneration package will be offered including the usual expatriate benefits plus equity participation in the Asian Management Company.

Interested candidates should send a detailed curriculum vitae to: Box No. A0195

Write Box A0195, Financial Times
10 Cannon Street, London EC4P 4BY

Assistant Treasurer

Central London

Salary Negotiable

Our client, a major international company in the music business, is now seeking to consolidate its Central Treasury function with this key appointment.

This challenging opportunity offers excellent career prospects for a young, self-motivated person, ideally aged 24-35.

Reporting to the Treasurer, you will be responsible for producing debt and cash reports, cash forecasts and currency exposure reports. You will also have responsibility for day to day funding, cash management and foreign exchange.

Formal qualifications are not essential, but previous experience in banking or treasury is required. Familiarity with personal computers would be an advantage, since a computerised system has recently been installed.

Applications are forwarded to the client concerned, therefore companies in which you are not interested should be listed in a covering letter.

Austin Knight Advertising

A FRESH START FOR SUCCESSFUL BUSINESS PEOPLE

Hill Samuel Investment Services Limited is a leader in providing its clients with a complete business and/or personal financial service. Residential property, investment properties, unit trusts, pensions and mortgages and tax planning are just some areas of involvement.

We recognise that it takes a very special person to work in these services successfully.

If you are aged between 25-65, self-motivated and enjoy dealing with people, then this could be you.

If you are looking for an opportunity to develop a new career, talk to Hill Samuel.

Contact K. M. D. Usher at
39 Queen Anne's Gate, London SW1H 9EQ

PK CHRISTIANIA BANK (UK) LIMITED

The Bank has been established in London for four years and, as part of our planned process of expansion, we are currently looking for top quality men or women to join our team which presently numbers 110 people.

Marketing Support Officers

We are looking for three Marketing Support Officers with some Marketing experience/potential, aged 25-30 years with fluency in one of the Scandinavian languages, both oral and written. Successful candidates will work in the areas of credit management and project finance for our corporate banking activities with Scandinavian related companies. Particular emphasis will be placed on assisting with negotiations, documentation and conclusion of new transactions, credit analysis and control. The candidates will also be expected to actively assist in the marketing/relationship management activities of the Bank in London. Previous knowledge of Scandinavian law, business practice and regulations is necessary.

Corporate Bankers – Nordic Countries

We are looking for 2 graduates ideally 30-40 years, with fluency in the Swedish or Norwegian language, both oral and written, with all-round experience of banking, finance or industry, including extensive knowledge of Scandinavian law and business practices and regulations. One candidate will be responsible for the Bank's Swedish and Finnish-related corporate banking activities and the other for the Danish and Norwegian. The duties will include development of business opportunities with companies in cooperation with our parent bank as well as developing and maintaining close relationships with UK subsidiaries of Nordic companies. The officer will be London-based but extensive travel throughout the UK and Nordic countries will be required.

Corporate Banker – Shipping, Offshore & Transportation

We are looking for a graduate, ideally aged 30-40 years, with fluency in one of the Scandinavian languages, both oral and written. The candidate should have extensive experience in shipping finance from the industry and/or banking, including extensive knowledge of Scandinavian law, business practices and regulations. The successful candidate will be responsible for the Bank's shipping and offshore-related corporate banking activities. Duties will include developing business opportunities both within the UK market and overseas, as well as in cooperation with other parts of the Christiania Group. The candidate will be required to maintain close relationships with UK subsidiaries of Scandinavian shipping companies and with the shipping group of our parent bank. The officer will be based in London but travel worldwide is required.

Please apply in writing to the Personnel Manager, PK Christiania Bank (UK) Limited, 9 King Street, London EC2V 8EA.

Capital Markets Corporate Finance c£40,000 + Bonus + Benefits

The London based, merchant banking subsidiary of a prime US bank is further expanding its considerable Canadian presence. They currently seek an experienced corporate finance specialist to concentrate on clients in Quebec and the Eastern provinces.

The successful individual will have primary responsibility for developing and sustaining relationships with major borrowers both public and private. He/she will win and negotiate mandates across a wide variety of capital market products, liaising closely with the Toronto based team and relevant specialist groups in London.

Probably in their early 30's, candidates must have extensive experience of the French speaking Canadian market with a proven ability to build successful client relationships. Fluent French is a prerequisite as is a comprehensive experience of completing transactions in a range of products, including fixed and floating rate securities, swaps, loans and note issuance facilities.

Those who are keen to join a leading bank in this region, with a growing reputation for its professional, innovative approach, should contact Christopher Smith on 01-404 5751 enclosing to him, enclosing a comprehensive CV, at 39-41 Parker Street, London WC2B 5LH, quoting reference 3652.



Michael Page City

International Recruitment Consultants—London Brussels New York Sydney
A member of the Addison Page PLC group

Judy Farquharson Limited

47 New Bond Street, London W1Y 9HA.
01-493 8824

Financial Advertising and Public Relations

Leading Financial Advertising and PR Agency - Head of Advertising

The candidate will have had an outstanding career in the financial advertising sector, managerial experience at department-head level within an agency, proven ability to identify and develop new business prospects and is likely to be earning in excess of £30,000. CVs in confidence to Carol Setton.

Financial PR Consultant - c. £20,000

A rare opportunity exists to join a major consultancy in the financial marketing division. Having established your reputation in PR as an effective financial/corporate communicator, you will now be ready for this major career move. Investor relations, company flotations, financial services, together with new business development, form the key aspects of your role.

CVs in confidence to Lucy Davies

Account Managers

Opportunities also exist for Account Executives/Managers with a minimum of 3-4 years' agency experience in financial advertising and public relations. Salaries from £17,000.

JFL RECRUITMENT CONSULTANTS

PORTMAN
BANKING

MARKETING OFFICERS

£18,000-£25,000

Due to continued expansion this well known International American Bank have career opportunities for highly motivated professional Bankers to work in the Financial Markets Group, Energy or Commodities Divisions.

Working for their European Head Office, the successful candidate will be responsible for the development of existing business together with the research and marketing to potential clients with the emphasis on special financial packages.

You should be a graduate banker in your mid to late 20s with a Credit training and have at least 18 months marketing experience.

For further details please contact Mike Blundell Jones on 01-236 1113.

Portman Recruitment Services Limited

Tel: 01-236 1113

EUROBOND TRADER

Front Runner

Our client is the fast growing Investment Banking subsidiary of an internationally respected Bank. Continued, well planned expansion, coupled with an avowed intention to become major market makers, means that a unique opportunity exists for an experienced Trader; two years is likely to be the yardstick set. In addition to substantial market making experience in US Dollar Straights (and as many other products as possible) we are looking for a candidate who has the ability to motivate others and to develop a successful trading team. It goes without saying that the salary/benefits package will be substantial; remuneration is not likely to be a point of contention. Your ability to convince us you are the right candidate is much more important.

To talk about this opportunity or to arrange an exploratory meeting in our City offices, please ring Malcolm Lawson on 01-493 5788 during the working day or 0444 73216 in the evening. Alternatively, send us your full career details.

13/14 Hanover Street, London W1R 9HG.

City Search & Selection

13/14 Hanover Street

Corporate Affairs

Investment Banking

A major international investment bank, our clients recently established a specialist Corporate Affairs department in response to increasing regulatory requirements. They wish to expand this team by appointing an individual with a sound understanding of legal, taxation and VAT issues, with particular reference to the financial services sector.

Based in the City, you will be responsible for conducting independent research into the taxation, VAT, Company law and other legal and regulatory implications of the Bank's activities and for reporting thereof to Senior Management. Responding initially to specific requests for information, it is envisaged that, ultimately, you will initiate your own projects.

Educated to at least 'A' level standard, ideally to degree level, and possibly with a professional qualification, candidates must be able to demonstrate professionalism and strength of character needed to establish their credibility throughout the Bank. Relevant experience is more important than a professional qualification. In return, our clients can offer a minimum salary of £20,000+, depending on experience, together with an excellent package of banking benefits.

Please send a full c.v., listing any companies to whom you do not wish your application forwarded and quoting ref FT/205, to: Joy Gavins,
Eley Advertising Limited,
Rex Stewart House,
159 Hammett Road,
London W6 8BS.

Appointments
Recruitment Services Limited
13/14 Hanover Street, London W1R 9HG

Appointments Wanted

SENIOR GENERAL MANAGEMENT EXECUTIVE

Seek a top position in Management Service firm or Corporate H.Q. with firm commitment to major growth and a strong U.S. market leadership, marketing, business management, including start-ups, acquisition/restructuring. Write Box 40175, Financial Times, 10 Cannon Street, London EC4P 4BY.

Senior Credit Officer

To £18,000

A progressive opportunity exists within a well established International Bank for a person with a sound credit background, ideally with a US Bank. Duties involve marketing support including customer contact at high level and responsibilities will in the short term, develop to those of account management.

Spit FX Dealer

c. £25,000

A well established International Bank, with a good trading name, requires an ambitious dealer, with experience in trading major currencies within an active environment. Remuneration includes a first rate benefits package.

Futures Dealer

Neg.

We are retained by one of the world's top banks, who are seeking a Financial Dealer, ideally to work in its large active dealing room. A competitive salary will be offered to the chosen candidate, probably in the region of £25,000.

UK Marketing

To £30,000

A dynamic, well educated banker, with current experience in UK Corporate Lending is required by a bank with exciting expansion plans, for a position offering considerable independence, and scope, at manager level. The Bank offers a full range of facilities including capital market instruments.

Gordon Brown

Bank Recruitment Consultants

Telephone: 01-628 4501

FUTURES

Commodity—Financial Currency—Metal

We need people with broking experience which may have been gained 'on the desk' or purely through sales/promotion.

Please contact:

Michael Gardner
M.C. BRACKENBURY & CO
19 St Mary-at-Hill, London EC3R SEE
Tel 01-623 6466

ENTREPRENEUR/MANAGER

A highly successful private group of companies with international interests and a turnover of over \$100m wishes to research and develop fresh business ventures. A pre-requisite to our future success is the need to recruit the right individual to take charge of these projects. The individual will need: commercial experience in an international business environment, the ability to attract and motivate the right staff, sharpened business acumen and above all commonsense. This will be as rewarding as you wish to make it both financially and from the point of view of satisfaction.

If you are certain that you fit the bill, write Box 40202, Financial Times, 10 Cannon Street, London EC4P 4BY.

MARKET MAKERS

Having successfully launched a market making operation in preparation for Big Bang we are now looking to expand our sector coverage. We have, therefore, several openings for senior market makers to join our highly successful team.

We are inviting applications from experienced jobbers to fill these senior positions. Ideally, applicants will be in the 30-45 age group. Remuneration package will be fully competitive.

Please apply to: Colin Mills, Wood Street Securities Ltd, 100 Wood Street, London EC2R 2AJ.

Tel: 01-726 8267 (Office)
0306-730639 (Home).



Hill Samuel



Wood Mackenzie

Accountancy Appointments

Appointments Advertising

£41 per Single Column Centimetre and £12 per line

Premium positions will be charged £49 per Single Column Centimetre

For further information call:

Louise Hunter
01-248 4864

Jane Liversidge
01-248 5205

Daniel Berry
01-248 4782

GROUP MANAGEMENT ACCOUNTANT

Kent

Our client is a large and successful plc with a range of interests in the UK and overseas, principally in shipping and property.

The Group wishes to strengthen its small head office team with the appointment of a Group Management Accountant who will assume responsibility for the production of financial reports for the senior management group.

Candidates, ideally late 20's-early 30's, must be qualified accountants with previous experience at group or divisional level, preferably gained in a subsidiary company.

c.£25,000 + car service or related industry. The appointment offers the opportunity to join a small management team with regular exposure at Board level.

Candidates should have excellent verbal and written communication skills, confident approach and constructive and positive ideas. Career progression may be at group level or within a subsidiary company.

Please write in confidence, enclosing career details and quoting reference E3034/L, to Valerie Fairbank, Executive Selection Division.

PEAT MARWICK

Peat, Marwick, Mitchell & Co.,
165 Queen Victoria Street, Blackfriars, London EC4V 3PD.

Finance Director

East Midlands

c.£21,000 + car + benefits

This privately owned engineering company of 100 employees is well established, profitable and expanding. Future plans include further penetration of UK and overseas markets and the possibility of going public.

In support of these plans, the company is creating the new post of Finance Director, responsible to the Managing Director for all aspects of financial control and for ensuring that the required systems and financial strategies are developed to enable controlled expansion to continue.

This is a first class opportunity to grow with an expanding and successful

company. Career prospects and conditions of service are excellent. Relocation assistance is available.

Applicants should write in confidence with career details, age and current salary quoting reference number MCS/1993 to Geoff Firmin, Executive Selection Division

Price Waterhouse Urwick Management Consultants Victoria House 76 Milton Street Nottingham NG1 3QY

Price Waterhouse Urwick



Financial Analysis Manager

c.£17,500 + car

Thames Valley

Our Client, a well-known multi-national consumer products company and a world leader in its market sector, requires a Financial Analysis Manager who will be responsible for profit forecasting, inventory control and cash management.

You will be based at their Headquarters and part of your brief will include regular travel to their other UK sites. A keen commercial mind will be required for project analysis aimed at increasing company efficiency and performance. The ability to communicate internally with staff at all levels, and externally with Bankers and the Inland Revenue is essential.

You will be a graduate, aged 25-30 and a qualified accountant with at least two years' post qualification industrial experience in a marketing orientated company. Personal computing skills will be an advantage.

A competitive salary is offered with benefits including BUPA, free life assurance, company pension scheme and relocation expenses where appropriate.

Austin Knight has been retained to advise on this appointment. Please telephone our Consultant, Terry Kennedy, on 0784 39103 (day) or 0784 33396 (evenings). Alternatively send him your c.v. at Austin Knight Selection, Knightley House, Band Lane, Egham, Surrey TW20 9NQ quoting reference TK297.

Austin Knight Selection

Management Accountant

Package c.£22,000 pa

We are the UK arm of the world's largest publicly quoted insurance group. Due to recent and future expansion, we now have a vacancy for a Management Accountant.

Reporting to the Chief Accountant, you will be responsible for developing and expanding a system for budgetary control and reporting, using up-to-date technology.

You will be ICMA or ACCA qualified, age not more than 35, with some years experience in industry.

Please reply in confidence with full cv to:

Wayne Page, Chief Accountant
Aetna Life Insurance Co Ltd
401 St John St, London EC1V 4QE

Aetna

Group Company Accountant

....to transport a progressive group into the 90's

c.£18,000+Car

Avon



European Troubleshooters

ACA's 25-33

neg. c.£22,000

Our client is a major US MULTI-NATIONAL in the TOP 100 companies in FORTUNE 500 and has extensive interests in EUROPE.

Based in the LONDON area, there are currently two vacancies for candidates with strong professional backgrounds, particularly young men and women who have already worked in EUROPE or in any OVERSEAS location for whom travel and being part of a well organised and motivated team hold attraction.

A second European language facility in FRENCH, GERMAN, DUTCH, ITALIAN or NORWEGIAN would be advantageous and explicit assistance is available from the company for linguistic improvement.

The company operates at the forefront of modern accounting technology and provides a "FINISHING SCHOOL ENVIRONMENT" for the BUSINESS ORIENTATED ACCOUNTANT.

Please telephone in the first instance and send your c.v. to:

GEORGE D. MAXWELL
Managing Director
ACCOUNTANCY APPOINTMENTS
EUROPE
13 Mortimer Street, London W1
Tel: 01-580 7695 (direct)
01-537 5277 ext. 281/282

Accountancy Appointments Europe

Chief Accountant

Banking

City

c.£20,000

+ Attractive Benefits



Arthur Young Executive Selection

A MEMBER OF ARTHUR YOUNG INTERNATIONAL

Candidates should be qualified accountants with a proven track record in the banking sector. Strong man-management skills are essential and experience of computerised systems would be an advantage. Self-motivation and drive combined with a lively and outgoing personality will enable the ideal candidate to develop within the company.

Please reply in confidence, giving concise career, personal and salary details, quoting Ref. ER871 to:
Michelle Wilkin,
Executive Selection,
Arthur Young Management Consultants,
7 Rolls House, 7 Rolls Buildings,
Fetter Lane, London EC4A 1NH.

Treasury Management London Based

to £35,000 + Car

Our client is one of the leading Management Consultancy firms in the UK. They provide a wide range of services in the areas of cash management, treasury functions and system implementation, and now wish to recruit a manager to lead the Treasury Consultancy function.

Typical assignments will include corporate reviews of cash flows and working capital to improve liquidity, design of cash forecasting models, advice on capital funding, foreign exchange management, and the design and implementation of appropriate treasury organisation structures and systems.

The successful candidate, aged 30-35, with a strong academic and professional background must be a graduate qualified accountant and a

member of the Association of Corporate Treasurers. Practical experience will include at least five years' relevant treasury exposure in a major company and you must be able to communicate effectively at all levels of management.

Opportunities for career advancement are excellent for candidates with business acumen and the ability to achieve results. The salary package is negotiable and will not be a limiting factor for the exceptional candidate with proven expertise.

Interested applicants should write to Andrew Sales FCCA, Executive Division, enclosing a comprehensive CV, quoting ref. 319 at 39-41 Parker Street, London WC2B 5LH.



Michael Page Partnership

International Recruitment Consultants

London Windsor Bristol Birmingham Manchester Leeds Glasgow Brussels New York Sydney

A member of the Addison Page PLC group

Finance Director

c.£22,000 plus profit share and car
Hampshire Coast

Robin Hood Vehicle Builders is a rapidly growing innovative company which has gained wide international acclaim in the building and conversion of vehicles for the welfare, catering and service coach markets.

Due to continuing expansion, which includes the recent opening of a second factory, we are now seeking a dynamic Finance Director to become a key member of our management team. This energetic individual will be responsible for the financial stewardship of the company and be closely involved with the development and implementation of future business strategies. His/her main responsibilities will include:

Establishment of appropriate accounting procedures and controls.
Introduction of integrated computerised accounting systems.
Provision of a financial planning and management reporting service.
Production of annual statutory accounts.

Applicants, ideally aged between 28 and 40, should be qualified accountants (ACA, ACMA or ACCA) with at least three years post qualifying experience in a small to medium size manufacturing company. In addition to a sound technical ability they will need to demonstrate a strong commercial awareness combined with excellent communication skills.

Candidates interested in this excellent opportunity should supply a full C.V., including current salary, to:
BRIJ HOOD Esq, Managing Director,
Robin Hood Vehicle Builders Limited, 7 Crompton Way,
Segensworth Industrial Estate West, Fareham, Hampshire PO15 5SP,
quoting reference RH/211 on both envelope and letter.

Hoggett Bowers

Executive Search and Selection Consultants

BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, MANCHESTER, NEWCASTLE, SHEFFIELD and WINDSOR

Finance Director Designate

Yorkshire Major Investment Group

c.£25,000, Car, Benefits

A unique and outstanding opportunity has arisen within an extremely progressive independent group of investment companies for a potential Finance Director. The rapid growth of the business necessitates the appointment of an individual capable of coping with increasing responsibility in the short term. An extremely able 28-35 year old is required to advise and action strategic financing and investment options, liaise with external funding agencies and control the operational accounting of the business. It is essential that the successful candidate be imaginative, a good communicator and willing to demonstrate commitment to the Group. This position is crucial to the business and will be filled by an individual who has the ability, confidence and presence to command respect at the highest levels.

Male or female candidates should submit in confidence a comprehensive C.V. or telephone for a Personal History Form to D. Adrian, Hoggett Bowers plc, 7 Lisbon Square, LEEDS, LS1 4LZ, 0532 448661, quoting Ref. 15021/FT.

Accountancy Appointments

FINANCIAL CONTROLLER

Central London

This project and construction management company has been established in the Middle East and Europe for a number of years. Its more recent UK operation, concentrating on high value, prestige developments, is already proving successful.

A Financial Controller is now required who will assume responsibility for the accounting function and work closely with the Managing Director providing him with the financial information needed to make business decisions. The person appointed will also be involved in feasibility studies

c.£25,000

and investigations into potential acquisitions.

Candidates, ideally late 20's to mid 30's, must be qualified accountants with previous experience in construction or a related industry.

A confident and adaptable personality is needed as is the ability to liaise and communicate effectively at Director and at site level.

Please write in confidence, enclosing career details and quoting reference T3395/L to Valerie Fairbank, Executive Selection Division.

PEAT MARWICK

Peat, Marwick, Mitchell & Co.,
165 Queen Victoria Street, Blackfriars, London EC4V 3PD.

Group Financial Controller

c. £25,000 for a well known Scottish-based group with manufacturing, distribution and marketing interests world-wide. Sustained profit growth derives from turnover of around £150 million, with a significant part generated abroad.

Reporting directly to the Group Financial Director, the main emphasis will be on control of group accounting, financial reporting, systems and standards development, internal audit and credit control, via a fifty strong central finance team.

The requirement is for a qualified accountant, CA or ACCA, with a record of success in financial

Arthur Young Executive Selection

A MEMBER OF ARTHUR YOUNG INTERNATIONAL

FINANCIAL DIRECTOR DESIGNATE CELLULAR RADIO £ negotiable + Car

N.W. Surrey

A world leader in a high growth sector of Telecommunications, TECHNOPHONE is experiencing very rapid expansion with annual turnover expected to reach £70 million in the next financial year. It is the Company's intention to seek a full listing within the next 2-3 years and we therefore require to appoint a Financial Director.

Reporting to the Managing Director, your influence as part of a small, highly motivated management team will be far-reaching, with the emphasis on business and profit planning. As there will be a considerable increase in the Company's activities over the next few years, you will be closely involved with developing the supporting financial strategies.

Probably in your early forties, you must be a Chartered Accountant, preferably with a related degree. You will have also gained substantial experience in a similar position with the finance function of a large, marketing-led, manufacturing organisation, ideally operating within an area of high technology. It is also essential that you have experience of financial and commercial negotiations at a high level and of developing and expanding new systems within financial management.

Please write in strictest confidence, enclosing your CV to:

M.S. Blackman
Personnel Manager
Technophone Limited
Technology House
48-54 Goldsworth Road
Woking
Surrey GU21 1LE. Tel: 04862 26521.



Accounting Manager

Insurance Brokers

to £25,000 plus car

Our client is a fairly young and highly successful firm of Lloyd's insurance brokers based in the City of London.

Continued growth of the company now demands the appointment of an accounting manager who, reporting to the finance director, will be responsible for the continued development of management accounts, the control and further utilisation of computer facilities and all accounting staff. It is anticipated that the person appointed to this position will ultimately rise to board level.

Applicants, who should be aged around 30, must be chartered accountants and will have prior professional or financial services industry experience that will equip them to take immediate command of this essential function. The longer term opportunities of this position are highly attractive.

In the first instance, please send brief personal and career details to Douglas G. Mizor quoting reference F/976/M at Ernst & Whinney Management Consultants, Becket House, 1 Lambeth Palace Road, London SE1 7EU.

Ernst & Whinney

Electronics Distribution - Thames Valley Main Board Financial Director

c.£40,000 + quality car & worthwhile share options

This entrepreneurial USM Group, forecasting £30 million turnover this year, distributes leading brand computer peripherals for commercial applications, and electronic components to manufacturers and specialist users. The client base is impressive and further expansion in the electronics sector is planned.

Key tasks will be to make an immediate strategic contribution as a Director, to improve financial planning and to spotlight the implications of policies and trends. In addition, there will be complete responsibility for improving group accounting and management information, and strengthening functional links to subsidiaries.

The need is for a qualified Accountant, aged at least 33, who has considerable experience outside the profession, preferably gained in a substantial company. The person appointed will have worked in a decision making role, will have had strong computing and systems exposure

and robust operational experience. Institutional and City knowledge will be important; experience in the electronics distribution industry would be a plus.

Above average benefits will include substantial share options, the provision of a fully expensed quality car, and other benefits.

Please reply to Basil Miller in strict confidence with details of age, career and salary progression, education and qualifications, quoting reference 1623/FT on both envelope and letter.

Deloitte Haskins + Sells

Management Consultancy Division
P.O. Box 198, Hillgate House, 26 Old Bailey, London EC4M 7PL

Appointments Advertising

£41 per Single Column Centimetre and £12 per line

Premium positions will be charged £49 per Single Column Centimetre

For further information call:
Louise Hunter
01-248 4864

Jane Liversidge
01-248 5205

Daniel Berry
01-248 4782

Finance Director

Surrey

c.£30,000 + car

Our client, part of a progressive plc, is a successful and growing group within the service sector: turnover is currently in the region of £7 million. In line with continuing increases in the scale of operations, the need has now arisen for an accomplished qualified accountant to join as Finance Director.

As head of a department of fourteen, the position carries complete responsibility for the financial function. An immediate priority will be the implementation of computerised accounting systems to meet the demands of the higher levels of business.

The successful candidate will probably be a chartered accountant, aged 32-40, with a clear track record of achievement and well developed man-

agement skills gained in a service-based environment. Experience of acquisitions/mergers along with project evaluation will be a distinct advantage. Personal qualities will include flexibility and enthusiasm coupled with an assertive but tactful style. You must be able to demonstrate an understanding of overall group concepts and have the potential for personal career development.

The competitive remuneration package will include a car, bonus scheme and attractive fringe benefits. Interested applicants should write to Nigel Bates FCA, Executive Division, enclosing a comprehensive CV, quoting ref. 325, at 39-41 Parker Street, London WC2B 5LH.

Michael Page Partnership

International Recruitment Consultants
London Windsor Bristol Birmingham Manchester Leeds Glasgow Brussels New York Sydney
A member of the Addison Page PLC group

COMMERCIAL MANAGER

Blackpool

c.£18,000

The forthcoming deregulation of the public transport undertaking has created the need for an experienced qualified accountant with commercial flair to fulfil the key role of Commercial Manager in the transfer to and future development of the town's transport systems as an independent limited company.

He or she will:

- provide the board with the financial and commercial advice and information necessary for the management of the business;
- develop the management information and computer systems required to support the Company's business requirements;
- take responsibility for marketing and promotional activities.

The ideal candidate will have at least three years post qualification experience as a Financial Controller, but consideration will be given to applicants with demonstrable commercial flair looking for a first move from the profession.

This is a new post in a challenging environment which offers the opportunity of an early board appointment. If you are interested, send a comprehensive career résumé with salary history and daytime telephone number to Mark Rea, Executive Selection Division, at the address below quoting reference 268.

Touche Ross
Management Consultants

P.O. Box 300, Abbey House, 74 Mosley Street, Manchester M60 2AT.

Telephone: 061-228 3456.

HENDERSON ADMINISTRATION

Henderson Administration is an independent specialist investment management group managing assets in excess of \$4.5 billion for U.K. and international clients.

Two senior positions involving International Accounting Services and Unit Trust Accounting have arisen within our Administration department.

ACCOUNTANT INTERNATIONAL SERVICES

To head a small group providing accounting services for a diversified range of international clients. In this rapidly expanding area the person appointed will be responsible for establishing new accounting and reporting systems as well as visits to review the operations of overseas agents.

Applicants are likely to have had several years experience in general accounting with a working knowledge of modern computer systems including experience in micro computer programming.

ACCOUNTANT UNIT TRUST REPORTING

To assume responsibility for the preparation of unit holder and statutory reports for a full range of U.K. and International Unit Trusts. Heading a group of three the person appointed will work closely with our Unit Trust administration group.

Applicants are likely to have had at least five years experience within the Unit Trust industry.

Salary will be commensurate with experience and ability. Other conditions of employment include a discretionary bonus and non-contributory pension scheme.

Please apply enclosing a detailed c.v. to: John Harwood, Henderson Administration Limited, 26 Finsbury Square, London EC2A 1DA.

HENDERSON ADMINISTRATION GROUP PLC
TOTAL MANAGEMENT BY COMPUTERS

FINANCIAL CONTROLLER

Pulborough, West Sussex

Are you a young ambitious Chartered Accountant? Would you like to join a dynamic owner who is developing his business interests? Our client is involved with various projects which will earn large profits. He requires a highly motivated person to help him to achieve his success.

The position offers a challenge to someone who can demonstrate outstanding professional expertise. The resident owner will delegate a large amount of responsibility to the right person.

The successful applicant will be a young Chartered Accountant who is well educated and a country lover. The role will include the preparation of the farm and building company accounts, help with the investment of large cash deposits and with the development of a wildlife reserve and advice to the owner on all financial matters.

Taking a personal interest in achieving success will be essential. The location is a delightful Sussex farm. The office is new, the atmosphere is friendly and family orientated, and the facilities are excellent. The starting salary is negotiable but will reflect the experience and personality of the applicant. There will be a car and other benefits. The scope of the job will grow and the long-term rewards will be significant.

If you are interested, telephone Andrew Nicholson FCA, on 0352 451212 or send your CV to Adamson and Partners Limited, 10 Lisbon Square, Leeds LS1 4LY.

ADAMSON & PARTNERS LTD.

Executive Search and Selection

FINANCIAL ACCOUNTANT SENIOR MANAGEMENT POSITION

Chartered or Certified Accountant required for financial organisation.

Responsibilities include:

Control of ledgers, bank accounts & investment

Preparation of statutory & management accounts

Production of tax returns

Involvement in unit pricing calculations

The working environment is friendly and up-to-date. A great deal of use is made of microcomputers in conjunction with an NCR mainframe system. Experience in the use of spreadsheet calculation systems would be useful. The position carries a good salary, motor car, private medical insurance, subsidised mortgage facilities and non-contributory pension scheme.

Apply direct for an application form or send CV to:

The General Manager
Tunbridge Wells Equitable Friendly Society
Abbey Court, St John's Road,
TUNBRIDGE WELLS, Kent TN4 9TE

Accountancy Appointments

Corporate Development

**£18-£25,000 + Car
Central London**

St Michael Financial Services

St. Michael Financial Services, a wholly owned subsidiary of Marks & Spencer, was established in 1984 to handle the development of the Marks & Spencer Chargecard. The Chargecard itself is now one year old and already has a customer base of 1.2 million.

This is an exceptional opportunity to play a key role in the further development of this successful company. Reporting to the Managing Director, the position will focus upon the planning and development of new products and services, assist in Corporate Finance activities and institute forward planning. Responsible for carrying out specific project-related investigations and feasibility studies, the successful candidate will have considerable contact with operations and marketing management whilst performing a liaison role with external financial institutions.

Suitable candidates, aged late 20's, will be business graduates or Chartered Accountants with a proven record of commercial achievement. In addition to outstanding analytical ability and excellent communication skills, candidates should be innovative in outlook and investigative in approach. Previous experience of the financial services industry is not essential but corporate planning experience would be beneficial.

A first class benefits package includes a non-contributory pension, free life assurance, profit sharing after a qualifying period and, at the more senior level, a company car.

Please apply in writing to Jeff Grout at Robert Half Personnel.

Robert Half Personnel, Freepost, Roman House, Wood Street, London EC2B 2JQ. 01-638 5191.

ROBERT HALF
FINANCIAL RECRUITMENT SPECIALISTS
LONDON BIRMINGHAM WINDSOR NEW YORK & 82 OTHER CITIES WORLDWIDE

HIGH PROFILE ENTRÉE



£26,000 + CAR + SUBSIDISED MORTGAGE

This integrated international bank is organised through five market oriented business units. Its reputation is founded on high quality, responsive service and innovation in sophisticated markets. Reflecting rapid expansion in Lloyds Merchant Bank and the Treasury Division, a new appointment has arisen in the Chief Inspector's Department, focusing on these developing services.

The new Inspector will review the commercial effectiveness of operating units, manage a team of assistants assigned to more traditional audit activities and prepare reports on findings. This is a high profile entrée to the bank through a department widely regarded as a career development route to line management.

London - Melbourne - Sydney - Brisbane - Adelaide - Perth - Auckland - Christchurch

SLADE CONSULTING GROUP (UK)

European Trouble Shooter

Swindon, Wilts

c £20,000 + bens

Our client, a major US multinational with European turnover in excess of \$400m, has an enviable reputation for innovation and quality.

Following an internal promotion, a position exists within the management advisory team for a graduate qualified accountant, aged 27 to 33, to undertake assignments throughout Europe. Generally, these will be of 1-2 week duration, with the travel content envisaged to be 50-60%. The size and diversity of business operations generates a broad range of challenging projects, from the strictly financial through to operational reviews covering all aspects of the company.

The successful candidate must be:



Michael Page Partnership

International Recruitment Consultants
London Windsor Bristol Birmingham Manchester Leeds Glasgow Brussels New York Sydney
A member of the Addison Page PLC group

FINANCIAL CONTROL BROMLEY

Our client is a world leader in the field of international container and trailer rental. Rapid and highly profitable expansion has created the following opportunities.

FINANCIAL CONTROLLER

c £18,000

Responsibilities will cover the entire range of financial and management accounting, including subsidiary consolidation, the supervision of staff on general accounting functions, as well as the development of systems on IBM 36 minis and PCs. Some UK and European travel will be involved. The position calls for a graduate CA or ACCA in the middle twenties with drive, enthusiasm and commitment, as well as the ability to reconcile professional standards and deadlines with a fast moving, trading orientated environment.

ASSISTANT CONTROLLER

c £12,000

Duties will involve supporting the Controller and will include general book-keeping, financial analysis and payroll control through an outside bureau. Suitable candidates, in the early twenties to early thirties, will be qualified ACCA's or ACMA's with some experience of the IBM equipment described above.

Details of education, experience and present salary, along with a recent photograph, should be sent to:

Bowden Gow Associates
Financial Recruitment Division
10 Tonbridge Chambers, Pembury Road, Tonbridge, Kent. TN9 2HZ

St. Michael Financial Services, a wholly owned subsidiary of Marks & Spencer, was established in 1984 to handle the development of the Marks & Spencer Chargecard. The Chargecard itself is now one year old and already has a customer base of 1.2 million.

This is an exceptional opportunity to play a key role in the further development of this successful company. Reporting to the Managing Director, the position will focus upon the planning and development of new products and services, assist in Corporate Finance activities and institute forward planning. Responsible for carrying out specific project-related investigations and feasibility studies, the successful candidate will have considerable contact with operations and marketing management whilst performing a liaison role with external financial institutions.

Suitable candidates, aged late 20's, will be business graduates or Chartered Accountants with a proven record of commercial achievement. In addition to outstanding analytical ability and excellent communication skills, candidates should be innovative in outlook and investigative in approach. Previous experience of the financial services industry is not essential but corporate planning experience would be beneficial.

A first class benefits package includes a non-contributory pension, free life assurance, profit sharing after a qualifying period and, at the more senior level, a company car.

Please apply in writing to Jeff Grout at Robert Half Personnel.

Robert Half Personnel, Freepost, Roman House, Wood Street, London EC2B 2JQ. 01-638 5191.

RH
ROBERT HALF

FINANCIAL RECRUITMENT SPECIALISTS
LONDON BIRMINGHAM WINDSOR NEW YORK & 82 OTHER CITIES WORLDWIDE

Recently qualified graduate accountants from £24,000 + excellent prospects

How much financial acumen goes into a tin of cat food?

When that tin of cat food happens to be the country's single biggest-selling grocery product, quite a considerable amount.

It takes the collective financial expertise of some very bright brains indeed, to contribute to the running of a highly successful, £400+ million business based on the most advanced technology in its industry.

We are Pedigree Petfoods, a major company within the Mars Group. The starting salaries show that we're serious about attracting real talent. Your best guide to career prospects is that whenever Mars unit you visit, anywhere in the world, you are likely to find senior managers who initially joined Pedigree Petfoods.

Now, following a promotion to another Group company, and an internal development move, we are looking for two ambitious qualified accountants (ACA/ACCA/ACMA) with the potential to make a significant impact on our business future.

We are not just looking for specialist accountants to fill particular jobs. We want to hear from accountants with a flexible attitude to their development who will actively seek a range of different challenges as their careers progress.

Are you good enough to take on these challenges? Are you one of the high-achieving accountants who can meet our demands?

A generous non-contributory benefits package will include assistance with relocation to the attractive rural East Midlands if appropriate.

To obtain more detailed information, ring our 24-hour line on 01-235 3627 or write briefly to Maureen Lohan at Pedigree Petfoods, National Office, Waltham-on-the-Wolds, Melton Mowbray, Leicestershire LE14 4RS. Do not send a cv at this stage.

We are an equal-opportunity employer.



Our client is privileged to have been involved in some of the most innovative and aesthetically appealing building projects of recent years. Formed only 8 years ago, they have carved out for themselves an enviable reputation as one of the most imaginative designers, manufacturers and installers of high quality aluminium engineered structures and products for the construction industry. Turnover is approaching £3m.

They are now poised for further expansion but recognise the need for stricter financial control and improved management information. They therefore wish to recruit a skilled Financial Controller to be responsible to the Board for all accounting, financial and administrative aspects of the business.

You will be a Qualified Accountant with several years experience in industry, ideally including some in contracting. Age is not a critical factor provided you have drive, initiative, self motivation and can communicate effectively. Good working knowledge of computer-based systems is essential.

An attractive remuneration package is offered and there are excellent prospects for someone who can demonstrate commercial flair and the ability to get things done.

Please send concise details, including current salary and daytime telephone number, quoting reference C2630, to W S Gilliland, Executive Selection Division,

Grant Thornton

Management Consultants

Fairfax House, Fulwood Place, London WC1V 6DW.

Financial Controller

**N.W. London
To £25,000
+ Car**

FINANCIAL ACCOUNTANT ADVERTISING

Fully Qualified package circa £20k

A leading business-to-business advertising agency group, situated in the London Docklands Enterprise Zone, requires an Accountant to handle the accounting role for the main agency. There is added interest in working closely with the Financial Director on a variety of special projects.

You will have management potential, certainly be fully qualified with strong service industry connections from practice or commerce.

Growth is rapid, so expectations are high, prospects accordingly bright.

Full curriculum vitae please to John West.



WEST DANES & CO.

9/9A New Bond Street

London WIY 9PE

Telephone 01-429 6797 or 01-491 7216

Financial Director

Salary Negotiable

Based in Southern England, our client, a well established leader in worldwide markets for tobacco processing equipment, packaging, environmental controls and electronic equipment, is seeking a Financial Director.

Reporting to the Chief Executive, and a member of the main Board of Directors, the appointed man or woman will provide financial direction to the main Board and its two subsidiary organisations. The emphasis will be on cost control, management information, budgeting and reporting to the Directors as required. The Finance Department also provides information and assistance in the formulation of departmental and operational budgets.

Applications are invited from qualified Chartered Accountants, aged 38 years to 45 years, with several years' experience as Head of Finance in the engineering industry, preferably

capital plant, and with supervisory experience of 25 or more staff including professionals.

The remuneration package includes:

executive salary, share options, company car, executive pension plan, free medical insurance and excellent relocation package if required.

Please send details of your experience and how the requirements of the position are met to Linda Threadgill, Austin Knight Advertising UK Limited, Knightway House, Band Lane, Epsom, Surrey TW20 5NX, quoting reference LK/1.

Applications are forwarded to the client concerned, therefore any companies in which you are not interested should be listed in a covering letter.

Austin Knight Advertising

CHIEF ACCOUNTANT

S.W. LONDON

Our client is a major financial service company operating within an exciting sector of the leisure industry. Turnover has doubled in five years to over £150m and the company is implementing a corporate plan which has identified further opportunities for maintaining this rate of growth into the 1990s.

Initially the Chief Accountant's role is to control a department of seven, responsible for transaction processing, credit control and management reporting on a tight monthly cycle. The company operates a sophisticated computerised system and relevant experience in a similar environment would be an advantage.

The successful candidate will probably be a Chartered Accountant with two years' post-qualification experience, preferably gained outside the profession. He or she will certainly be seeking a position in which success can lead to a broader job specification and commensurate reward.

All applications should be sent in the first place, supported by a full detailed curriculum vitae, to:-

Michael Orford
BOWKER, ORFORD & CO.

15/19 Cavendish Place, London W1M 0DD

FINANCE EXECUTIVE

EXCELLENT SALARY AND BENEFITS PACKAGE OFFERED

We are a leading US designer and manufacturer of high performance data communications systems.

We are seeking a highly-motivated candidate for a key financial position at our European Headquarters in the UK.

The ideal candidate will be a Qualified Accountant with a minimum of 10 years' experience at Controller level in a computer-related electronics industry and possess a thorough knowledge of US accounting methods, regulations and procedures.

Please send full c.v. to Box A0196, Financial Times
10 Custom Street, London EC4P 4BY

Accountancy Appointments

Financial Controller

Central London

To £30,000
+ Car

The food processing industry is going through a period of rapid and fundamental change offering exciting opportunities for those companies which can adapt to the new requirements of the market. Our client is committed to being one of those companies.

Already one of the leaders in its sector of the industry, with annual sales approaching £200m and a network of strategically sited plants, our client is actively engaged in a major reorganisation to maximise the opportunities available to it.

Critical to their plans is the appointment of a high calibre Financial Controller as a key member of the senior management team. Reporting to the Chief Executive, you will be responsible for all the financial and accounting aspects of the business. This will initially involve a heavy commitment to the development of improved budgetary control and cost monitoring systems, and the provision of rapid and meaningful management information in a decentralised computer-based accounting environment.

Applicants must be Qualified Accountants, aged 35-45, with several years broad based experience including production cost control in food processing/manufacturing. Indispensible experience of computer-based systems is essential.

This position calls for someone with sound commercial awareness, drive and commitment, and there will be ample opportunity as a member of the senior management team to make a major contribution to the company's prosperity and development.

The company offers a fully competitive salary and an attractive package of benefits. Reasonable access to the M1 is important and relocation assistance will be available if required.

Please send concise details, including current salary and daytime telephone number, quoting reference B2001, to W S Gilliland, Executive Selection Division,

Grant Thornton
Management Consultants

Fairfax House, Fulwood Place, London WC1V 6DW.

Finance Director

Enterprise Company

Our client, an enterprise subsidiary of a prominent British corporation, has been established to promote retraining and job creation opportunities, mainly in two regions affected by traditional industry decline.

With government funding already of £5m, the Finance Director will work closely with the Chief Executive to ensure the best allocation of resources, and promote the company to potential investors, private and public companies, and financial institutions, particularly those with venture capital. Advising potential entrepreneurs on business plans, funding and management will be a significant aspect of the post, and travel in the UK is likely to be extensive.

The post demands a persuasive and dynamic qualified accountant, with proven achievement in an innovative industry sector or with professional

Arthur Young Executive Selection
A MEMBER OF ARTHUR YOUNG INTERNATIONAL

£30,000 package

experience in business start-ups. A thorough knowledge, gained by experience, of the means of raising capital will be a distinct advantage.

Representing the enterprise to senior decision-makers requires a high personal standing and integrity, while initiative and creativity are essential factors for success.

Salary is negotiable reflecting the importance of the position and will include a car and other benefits, including relocation to the head office in the North of England.

Please reply in writing, with full career personal and salary details, quoting Ref: 136 to Derran Sewell, as adviser to the company.

Arthur Young Management Consultants, Commercial Union House, Albert Square, Manchester M2 6LS.

European Controller

Central London

c£30,000 + car + benefits

Our client, the European market leader in asset based financing, a subsidiary of a major US financial services institution, has experienced exceptional growth in the past 24 months. Its product range, includes equipment financing, property and commercial finance, leveraged buy-out acquisition financing and factoring.

Following internal promotion, an outstanding opportunity has arisen for a European Controller to be based at their Head Office. This position carries wide responsibilities, which include the review and presentation of financial and management information as well as providing accounting and tax input on complex transactions.



Michael Page Partnership

International Recruitment Consultants

London Windsor Bristol Birmingham Manchester Leeds Glasgow Brussels New York Sydney

A member of the Addison Page PLC group

Appointments Advertising

£41 per Single Column Centimetre and £12 per line

Premium positions will be charged £49 per Single Column Centimetre

For further information call:

Louise Hunter 01-248 4864

Jane Liversidge 01-248 5205

Daniel Berry 01-248 4752

EUROPEAN INVESTIGATIONS

ACA aged 25-30

Based in WEST LONDON, our client is a U.S. MULTI-NATIONAL with current EUROPEAN turnover c. \$250m within worldwide turnover of \$1,200m.

It is planned that within a short space of time EUROPEAN turnover should be expanded primarily by acquisition to nearer 50% OF WORLDWIDE TURNOVER!

There is therefore an OPPORTUNITY for the successful candidate to travel extensively in EUROPE. For this reason, potential commercial fluency in FRENCH and/or GERMAN is highly desirable.

Due to close liaison with senior U.S. management, four to six weeks each year is spent in the UNITED STATES at CORPORATE HEADQUARTERS. The IDEAL CANDIDATE will have qualified with or spent some time with a MAJOR PROFESSIONAL FIRM. He or she should be hard-working but sociable as a sense of humour is necessary in order to establish fast rapport at all levels.

Career prospects are FIRST CLASS as this vacancy arises due to promotion.

Please telephone in the first instance and then send your c.v. to:

GEORGE D. MAXWELL
... and Director
ACCOUNTANCY APPOINTMENTS
EUROPE
13 Mortimer Street, London W1
Tel: 01-580 7685/7729 (direct)
01-537 5277 ext. 231/232

FINANCIAL DIRECTOR

MAJOR OPPORTUNITY FOR GROWTH
TO GENERAL MANAGEMENT

This is a superb assignment for a very young FCA or ACA, who has no intention of remaining in accountancy for the rest of his/her life, and who wants to develop marketing and general management skills with a view to taking total responsibility for a business at a very early age.

We are one of the largest firms of Management Consultants in Europe specialising in marketing, management and sales organisation and method, and our large Client list comprises most of the blue chip companies. We have a 25 year track record of success, and are currently growing at a fast rate, and with a healthy profit picture.

Our Group is comprised of a holding Company and four trading Companies, each with its own offices and large and impressive management centre. We employ over 150 people. Our five year plan details major growth through the establishment of new operations within the UK, and by acquisitions. We also have our sights set on a USM listing well before the end of that period.

We seek a young Financial Director who must have qualified FCA or ACA, who is keenly ambitious, enthusiastic in all he/she does, and who—above all—wants to gain a broad business background quickly. Not for us please the dyed in the wool Accountant who sees life only through the eyes of an accountant. We are looking for a potential General Manager!

We offer a starting salary in the region of £20,000, a 2 litre car with additional benefits, and we are in the process of introducing a share option scheme. Perhaps one of the main benefits of this important assignment is that the chosen Financial Director would work very closely with our chairman, who has built our Group to its present size and profitability, and who has such exciting and well validated plans for the future.

Please reply with full details of your background to:

Mrs H. Peters, Commercial Director
Commercial Director

THE PIRME GROUP LIMITED
Tite House, Sunningdale, Berkshire

FINANCIAL ACCOUNTANT

Up to £16,000 plus car in Kent.

Tozer Vehicle Services Limited are the UK concessionaires for Alfa Romeo and Daihatsu motor vehicles.

We are seeking a Financial Accountant to join our young and highly motivated management team.

This responsible position reports to the Finance Director. Responsibilities will include all aspects of financial accounting, management of the Department, and extensive involvement in the development of new computer systems.

The successful applicant will be qualified, aged 25-30, and probably looking to make their first career move into commerce. There are excellent future career prospects for the candidate with good communication skills and decision making ability.

Benefits include contributory pension scheme and, if appropriate, relocation assistance.

Applications should be made in writing, enclosing a full CV to: Miss D. Cook, Tozer Vehicle Services Limited, Poulton Close, Dover, Kent CT17 0HP Telephone: Dover (0304) 213444.



FINANCIAL ACCOUNTANT

Ready to meet our challenge and develop a career at Divisional Headquarters in the West Midlands

Attractive remuneration package + car

We are a newly formed major division within the Tarmac Group, specialising in high quality building and industrial products. Turnover exceeds £200 million and there are manufacturing and contracting operations in the UK, Europe and USA. Demand for our products is strong, the Division is profitable and has excellent growth prospects, and acquisitions are planned. These have created new career opportunities at our Headquarters in Wolverhampton.

Reporting to the Chief Accountant and supported by a team of Assistant Financial Accountants, this is a senior position in which you will be responsible for the planning, administration and consolidation of the division's annual accounts. You will also provide a financial advisory service to the operating units and be involved from time to time in special projects such as acquisitions.

Aged 25-35, you should be a Chartered Accountant with at least 2/3 years' post qualification experience and practical knowledge of large consolidations. You should have good technical knowledge, and will probably have worked for one of the larger international accounting firms.

To apply please forward a full cv including present salary and quoting ref. T17/16.

Tarmac
BUILDING & INDUSTRIAL PRODUCTS

F. Bredin, Divisional Personnel Manager,
Tarmac Building & Industrial Products Division,
Ettington, Walsall, West Midlands WV4 0SF.

Financial Controller

NW London £17,000-£20,000 + car

This highly-profitable, medium-sized electronics services company has a customer base ranging from blue-chip companies in the electronics and other industries to small operators in specialist fields.

Rapid growth creates this exciting opportunity for a young and ambitious qualified accountant to join the forward-looking management team and play a key role in the company's continued development.

You will be responsible to the Finance Director for all financial management accounting and administrative functions including auditing ... producing business forecasts ... reviewing company performance ... and evaluating and planning future operations. Co-ordinating systems development company-wide will be

important.

An enthusiastic and confident ACA, ideally with first-time exam passes, you must have at least 2 years' experience gained preferably, but not essentially, in a commercial environment.

Experience of computerised systems and proven non-management ability are essential in a position offering excellent career development opportunities.

The negotiable salary is supported by a wide choice of car, share-option scheme, PEP, life assurance, pension scheme, free restaurant, and relocation assistance if needed.

Please send full cv which will be forwarded to our client unopened.

(Address to our Security Manager if listing companies to which it should not be sent.) Ref: R222/PT.



PA Advertising

Hyde Park House, 6a Knightsbridge, London SW1X 7LE.
Tel: 01-225 0000 Telex 27974

EniChem

SUPERVISOR ACCOUNTS

EniChem is a major European multinational chemical concern with manufacturing assets in the UK, Germany and Italy.

A vacancy has arisen for a qualified accountant with you will report to the Financial Controller and have experience of accounting concepts on the IBM 36, a small department reporting to you.

As part of a small team located in the prestigious offices of our West London headquarters, the selected candidate will be responsible for a computerised accounting and management reporting system. Written and oral communication skills and the freedom to travel as and when required to our other offices within the UK and Europe are essential.

Salary will not be less than £15,000 plus private pension scheme and medical insurance.

Please telephone for an application form to:
Susan Arvold
on
01-377 1100

X

Accountancy Appointments

Group Taxation Manager

c£25,000
+ car + re-location
Central London

MKA SEARCH INTERNATIONAL LIMITED
MKA House, King Street,
Maidenhead, Berks, SL6 1EF
Telephone 0628 75956.

Our clients are one of the UK's top multinationals with a turnover easily exceeding \$1,000 million and over 100 subsidiaries in 60 countries. Their diverse interests include many areas of high technology engineering such as robotics and computerised production systems.

They seek a Group Taxation Manager to take complete control of the tax affairs of the group. In charge of a small department, your responsibilities will include UK corporate tax, international taxation (North America, Europe etc.), double tax relief and group tax planning strategy. You will also be expected to advise the main board on the tax consequences of acquisitions, group structures and commercial agreements. Candidates for the position should be qualified accountants or have the A.T.I.I. qualification and will probably be aged 28-40. The ideal candidate will have at least 2 years experience of taxation in a substantial international group. However, individuals working in the profession with considerable exposure to group tax matters will also be considered.

Please send your career and current salary details as soon as possible to Barry C. Stiles at the address below.



Assistant Treasurer – Banking

c£23,000 + car

Subsequently, the post is expected to expand and will encompass other specific responsibilities such as co-ordination of overseas banking and lending limits. Candidates, probably aged 28-35, must be qualified accountants with at least 5 years' relevant experience. Strong communication skills and the ability to generate excellent working relationships, both internally and externally, are vital.

Interested applicants should write to Andrew Sales FCCA, Executive Division, enclosing a comprehensive c.v., quoting ref. 522, at 39-41 Parker Street, London WC2B 5LH.



Michael Page Partnership

International Recruitment Consultants

London Windsor Bristol Birmingham Manchester Leeds Glasgow Brussels New York Sydney

A member of the Addison Page PLC group

BUDGING FINANCIAL DIRECTOR

Findlay Publications, a highly successful publisher of engineering and medical journals, has a senior vacancy for a young (28-35) qualified accountant who has the drive and talent to become the company's financial director.

Formal qualifications required include comprehensive accounting experience in a commercial background, familiarity with computer systems and a working knowledge of company taxation.

As important, however, are less tangible qualities. The successful candidate will be bright, personable and ambitious with a genuine interest in the commercial aspects of publishing. He or she will work alongside a highly professional, often hard-pressed team, with a down-to-earth, no-nonsense approach to problem-solving.

The new appointment will involve responsibility for the company's fully computerised accounting functions, the review and implementation of procedures, including the flow of management information. The successful candidate will also become fully conversant with the detail of the publishing business and will take charge of several administrative functions, reporting to the General Manager, including ad-hoc project evaluation, the company pension scheme and other broad ranging corporate activities.

Findlay Publications is a privately owned company with no outside shareholders and a staff of 125 who work in a splendidly converted Elizabethan Manor House set in its own grounds in North Kent.

The salary is open to negotiation, but we are thinking in terms of £15,000 to £20,000, plus a company car, with a prospect of profit-related bonuses for the right person committed to a long-term stay where the prospects are excellent.

If you see yourself as a budding financial director, please write to William Allingham, General Manager, Findlay Publications Ltd, Franks Hall, Horton Kirby, Kent DA4 9LL.



Assistant to Group Financial Accountant

Over £20,000

London

The Wellcome Foundation Limited, the major operating company of Wellcome plc, with sales exceeding £1000m and profits in excess of £120m, was recently the subject of a Stock Exchange quotation. This, plus continual expansion has created the need for a challenging new appointment within the Group Finance Directorate. The range of duties includes the development of American S.E.C. reporting and the provision of assistance with the Group's annual and interim figures, the development of accounting policies, and pension fund matters.

Candidates will be graduate Chartered Accountants aged 27-30 ideally at Assistant Manager level in one of the major firms in public practice. Candidates who have supplemented their professional experience in an industrial role are also welcome.

The appointment is headquarters based, currently in London but with relocation envisaged – probably S.W. of London. The package includes a salary in excess of £20,000 p.a. including London allowance, pension, BUPA, 5 weeks holiday and relocation expenses where applicable.

Curricula vitae indicating salary progression in strict confidence to Bernard L Taylor M.B.I.M., quoting reference 6872 or telephone for a Personal History Form.

MERVYN HUGHES

Mervyn Hughes International,
Management Recruitment Consultants,
37 Golden Square, London W1R 4AN
Telephone: 01-434 4091

EXPERIENCED FINANCIAL CONTROLLER Required For PART-TIME VACANCY

Required for an International Specialist Magazine Publishing Company based in North West London. This position is likely to suit a qualified accountant who now only wishes to work three days a week. The person selected must demonstrate a sound knowledge of magazine publishing and have a proven success record in audit and monitoring financial control systems and compiling written reports for board meetings. The applicant must be familiar with computerised accounting and financial modelling.

Please reply with full CV to:
WILDER COE (Ref: CSS)
24 Weymouth Street,
London WIN 3FA

YOUNG DYNAMIC ACCOUNTANT

£15,000 p.a.

Established Geological Service Company, active in both oil and mineral industries based in North London, require an Accountant to report directly to the Managing Director. Applicant will be fully responsible for providing financial information encompassing presentation of Management Accounts to the Board, Raising and Disbursing of funds, and the preparation of financial statements. The position is seen as an ideal first move away from the profession for an ambitious, newly qualified ACA or finalist. Interested in developing their career in a large organisation, which hopes to seek a stock market listing within 3-4 years.

Please reply with full CV to Box A0190, Financial Times
10 Cannon Street, London EC4P 4BY

Appointments Wanted

COMMERCIALLY AWARE CHARTERED ACCOUNTANT

Highly confident and ambitious MBA, now at the critical age of 38, highly experienced in Corporate Finance and Growth Management (Leisure & Food). Leading role in aggressive business sought.

Telephone 041-445 6699 (daytime)

£23,000 p.a.
Financial Controller
LONDON
Publishing

A commercially minded Graduate FCA, aged 35-45, male or female, with at least ten years progressive and proven experience, in a trading environment, resulting in the ability to take total control of the company's financial operations. Experience within publishing a distinct advantage. Must be a small team "hands on" operator. An outstanding career opportunity with Board potential, with a small, well respected publishing PLC. Fringe benefits include, contributory pension, company car, share options, medical and life cover.

Suitably qualified candidates please phone 01-600 4708 for an application form quoting GF626 (24 hour service).

GREYFRIARS
EXECUTIVE RECRUITMENT

JOHN W G FORBES MANAGING DIRECTOR
104 NEWGATE STREET, LONDON EC1

A UNIQUE INVITATION FROM PRICE WATERHOUSE & CLIENTS

If you are a qualified accountant or chartered finalist keen to explore all the options open to you for developing your career, you must not miss this

CAREERS OPEN EVENING

To be held on Thursday 24 July in our London office, this is an ideal opportunity for you to explore opportunities:

- Within the profession for newly qualifieds, as seniors in audit, tax or insolvency, in the UK, Europe or further afield.
- As a management consultant or manager for those with two or more years post-qualification experience either within or outside the profession. These posts will require you to demonstrate the maturity, experience and interpersonal skills required of senior professional advisers.
- With PW Clients, providing openings for qualified accountants wishing to develop their careers in all areas of industry and commerce. Amongst those attending the evening will be Barclays, Burton Group, Friends Provident, Hill Samuel, Lloyds Bank, Morgan Guaranty, Reuters, Shell and Trusthouse Forte.

To find out more about this evening please telephone Mike Jennings on 01-407 8989 or complete the coupon below.

Price Waterhouse

Please send me an invitation for the Careers Open Evening on 24 July 1986 and a copy of your Career Development brochure.

To: Mike Jennings,
Price Waterhouse,
Southwark Towers,
32 London Bridge Street,
London SE1 9SY.
NAME _____
ADDRESS _____



FT 10/7

TIO PEPE
SPAIN'S SHERRY
GONZALEZ BYASS

SECTION II - COMPANIES AND MARKETS

FINANCIAL TIMES

Thursday July 10 1986

Wang plans further 5% cut in workforce

BY PAUL TAYLOR IN NEW YORK

WANG Laboratories, the Massachusetts-based office equipment manufacturer, is to reduce its workforce by 1,800, or about 5 per cent, citing the continuing sluggishness of the US computer market.

The job cuts are the latest in a series imposed by Wang and will reduce its worldwide workforce to 30,000. Almost exactly a year ago Wang announced that it would dismiss 1,800 workers because of weak sales. The year-ago job cuts were only the second in the company's 35-year history which had seen its workforce grow dramatically to almost 32,000 by early 1985.

Two weeks ago the company, which had been staging a modest recovery, warned that it would re-

port disappointing fiscal fourth-quarter earnings because of slowing revenue growth. Wang's fourth quarter ended on June 30 and the company indicated that it would probably just about break even in the period but that it might report a net loss because of a modest 10 per cent rise in revenues to about \$700m.

Yesterday the group said it expected fiscal full-year earnings of between \$30 and 40 cents a share on revenues up by about 12 per cent to \$2.62bn. Until then analysts had been expecting earnings of about 50 cents a share in fiscal 1986 following Wang's sharply lower net earnings of \$15.5m or 11 cents a share on revenues of \$2.35bn in the year-ago period.

Texas bank hit by \$78m provision

REPUBLIC BANK, the biggest bank in Texas and long considered one of the strongest banks in the hand,

of US oil industry, has reported little more than break-even results in its first quarter after making a \$78.5m provision against loan losses, writes William Hall in New York.

The Dallas-based holding company, which controls 40 banks, with combined assets of \$22.5bn, had

an

equity of \$1.45bn, with a contribution of \$78.5m, compared with \$722.7m, in the latest quarter.

Selling prices continued to improve from the severely depressed level brought on by the overvalued dollar last year, but remained below the levels of 1985's second quarter.

Given a favourable economy and foreign exchange rates, earnings can be expected to show continued improvement," Mr Georges added.

The rise in earnings was much less marked at Mead, a big integrated producer of white papers, paperboard and construction materials.

Net profits edged up from \$33.1m

to \$34.6m or \$1.11 a share in the first quarter of this year and \$35.4m or \$1.19

a share, in the second quarter last year.

The latest figures leave the quarterly dividend, of 41 cents a share, uncovered, and underline the severe financial impact that the collapse in oil prices is having on energy banks in the south-western part of the US.

The provision for loan losses in the quarter was well in excess of the net charge-offs of \$33.6m and swelled the allowance for loan losses to \$285.7m or 1.84 per cent of loans outstanding.

All business in Dutch, German and Scandinavian stocks will be conducted over screen-based systems from BZW's upstairs trading rooms in the group's new headquarters.

WZW's London business in Australian stocks will be passed over to BZW's Australian associate Meares & Phillips.

He added that all business in international equities will be re-structured in future, and BZW

US paper profits rise as demand improves

BY OUR FINANCIAL STAFF

INTERNATIONAL Paper and Mead, two of the largest groups in the US paper industry, have reported higher second-quarter earnings, helped by improved demand for most product lines.

International, the world's largest paper producer and a major producer of lumber and plywood, more than doubled second-quarter net earnings from \$17m or 37 cents a share to \$71m or \$1.33. The result is

in sharp contrast to the 53 per cent fall in first-quarter profits, and lifts the six-month total to \$86m or \$1.61 a share, compared with \$74m or \$1.21.

Six-month sales edged up from \$2.26bn to \$2.37bn, with \$1.23bn against \$1.15bn coming in the latest quarter.

The surge in earnings was ex-

pected, and Mr John Georges,

chairman and chief executive, said demand was strong for most products.

Selling prices continued to improve from the severely depressed level brought on by the overvalued dollar last year, but remained below the levels of 1985's second quarter.

Given a favourable economy and foreign exchange rates, earnings can be expected to show continued improvement," Mr Georges added.

The rise in earnings was much less marked at Mead, a big integrated producer of white papers, paperboard and construction materials.

Net profits edged up from \$33.1m or

\$1.17 a share in the second quarter of 1985 to \$34.6m or \$1.11.

For the first six months of 1986, net profits were down from \$36.7m or \$1.63 a share to \$32.7m or \$1.69.

Sales rose slightly from \$1.39bn to

Conditions imposed on Texas Air sale

By Our Financial Staff

THE US Transportation Department said yesterday it had imposed conditions on government approval for Texas Air's proposed takeover of Eastern Air Lines.

The department said that before the merger could be approved, Texas Air would have to complete the sale of its north-east corridor air shuttle routes to Pan American World Airways.

However, the department did not oppose the merger on competition or monopoly grounds.

Amstar disposal

AMSTAR Holdings, owned by US buyout specialists Kohlberg Kravis Roberts, plans to sell Amstar Corporation, the largest US manufacturer of nutritive sweeteners.

The holding company was formed by KKR when it acquired Mastar in 1984. It has retained Morgan Stanley, the US investment bank, as adviser. Amstar had sales of about \$1.3bn and operating income of about \$89.5m in the year ended June 30, 1985.

Bid rejected

PANHANDLE Eastern, the US natural gas pipeline operator, said its board had unanimously rejected the \$2.25bn takeover proposal from Mr Cyril Wagner and Mr Jack E. Brown, two Texas oilmen, as inadequate. The bidders are offering \$50 a share in cash and preferred stock.

IBM cuts prices

IBM, the world's largest computer group, said it had instituted "changes in the wholesale price for a limited time" for certain personal computers from July.

IBM's PCs have faced growing competition from "clones" imported from the Far East, and some reports have said that IBM's wholesale cuts would range as high as 18 per cent.

Barclays securities arm ends market-making in US stocks

BY BARRY RILEY IN LONDON

BARCLAYS de Zoete Wedd (BZW), the securities arm of Barclays Bank of the UK, is to cease making markets in North American stocks as part of its second rationalisation within five months.

It is also to move all its international equity market-making activities, involving eight to 10 dealers, off the floor of the Stock Exchange from the close of trading tomorrow.

Five staff of the jobbing firm Wedd Duriecher, which has been absorbed into BZW, are being declared redundant, including four partners. Others are being absorbed elsewhere in BZW's operations.

In a new strategy, BZW will now concentrate on providing an integrated service to institutional clients in Continental European equities. It is recruiting researchers and salesmen and the market-making activity will be aimed mainly at facilitating business generated by these teams rather than at serving other brokers, which has been the traditional role of jobbers.

The latest moves follow the firm's decision in March to reduce the scale of its trading in UK equities, when 10 dealers were asked to leave.

They are the outcome of a review of Wedd's business in foreign stocks by Mr Nick Sibley, who joined BZW earlier this year from Robert Fleming and is now head of the international equities division. He aims to correct Wedd's lack of a research and sales base, which has resulted from its jobbing specialisation.

On North American stocks, the firm has been unable to attract institutional business for its unprofitable US market-making operations, a task made harder by the high representation of New York securities firms in London.

"A lot of this business has been small-size trading with country brokers. That business has been consistently unprofitable," Mr Sibley said.

He added that all business in international equities will be re-structured in future, and BZW

Merger panel judges named

By Our Montreal Correspondent

CANADA'S Competition Tribunal, which will review complaints about major mergers under new legislation, will have four federal court of appeal judges among its members, including Justice Barbara Reed, who will be chairman.

The four judges will continue to serve on the federal court of appeal but will also hear all cases arising from the Competition Act just passed.

The tribunal will also include specialists in several fields: The three other judges appointed are Mr Harry Strayer, Mr Max Teitelbaum and Mr Leonard Martin.

CBS sees improvement due to TV station sale

BY WILLIAM HALL IN NEW YORK

CBS, the US broadcasting and entertainment group, achieved a 17 per cent rise in second-quarter net income from continuing operations to \$106.8m or \$4.41 per share, as reported briefly yesterday. The improvement was due to a gain on the sale of a television station and a sharply lower tax rate, however.

Pre-tax profits from continuing operations fell by 10 per cent to \$158.7m. The operating income of the CBS/Broadcast division fell by 8 per cent to \$106.8m, but this was partly offset by a 53 per cent rise in the profits of CBS-Records to \$29.2m. CBS/Publishing made a small loss and the group's interest charge was nearly doubled at \$24.6m.

Mr Thomas Wyman, CBS chairman, said that although CBS/Broadcast profits declined from the same high in last year's second

Mitel seeks US distributor for switch

By Robert Gibbons in Montreal

MTEL, the troubled Ottawa-based telecommunications equipment company, is seeking US partners to distribute its large SX2000 digital switch in the American market and may enhance its lines with other companies' products including those of British Telecom, its 51 per cent shareholder and largest single customer.

Mitel now uses outside dealers to market the SX2000 in the US but it is still not selling as well as it should, Mr Franklin Julian, executive vice president, marketing, told its annual meeting. The large switch was seriously delayed in getting into production, and heavy development costs brought Mitel near bankruptcy before it was acquired by British Telecom.

Mitel cannot estimate whether it will show a profit in the year ending March 31, 1987.

AUCTION PRIME WATERFRONT SITE AND OFFSHORE ISLAND KEY WEST, FLORIDA



Prime waterfront site consisting of approximately 42 acres with 1,500± feet water frontage, portion of Truman Annex, Key West, FL and 55± acre offshore island (Tank Island), located ½ mile off Truman Annex in Gulf of Mexico.



The Little "White House"

GSA representatives will be on site July 8-11, August 5-8 and September 8-9 from 9AM to 3PM. Individual appointments are also available. A \$250,000 cashier's check is required to participate in the auction. Auction September 10, 1986.

For brochure only, call (800) GSA-1313. For additional information, inspection appointments and brochure or from outside the United States call (404) 331-2482.

GENERAL SERVICES ADMINISTRATION
REAL PROPERTY DISPOSAL DIVISION (4PD)
75 SPRING STREET, SW
ATLANTA, GEORGIA 30303

The Bank of Tokyo, Ltd.

(Kabushiki Kaisha Tokyo Ginko)
(Incorporated with limited liability in Japan)

Japanese Yen 15,000,000,000*

6 1/8% Bonds due 1993

Issue price: 100% of the principal amount

Bank of Tokyo International Limited

Goldman Sachs International Corp.

Bankers Trust International Limited

Banque Paribas Capital Markets Limited

County NatWest Capital Markets

Credit Suisse First Boston Limited

Deutsche Bank Capital Markets Limited

Kuwait International Investment Co. s.a.k.

Merrill Lynch Capital Markets

Morgan Stanley International

Nomura International Limited

Sanyo International Limited

Swiss Bank Corporation International Limited

S.G. Warburg Securities

Mitsubishi Trust International Limited

Banque Indosuez

Citicorp Investment Bank Limited

Credit Lyonnais

Daiwa Europe Limited

Kokusai Europe Limited

Kuwait Investment Company (S.A.K.)

Morgan Guaranty Ltd

The Nikko Securities Co., (Europe) Ltd.

Oriental Royal Bank Limited

Saudi International BANK AL-SALI AL-ALAMI LIMITED

Yamaichi International (Europe) Limited

NEW ISSUE

These Bonds having been sold, this announcement appears as a matter of record only.

JULY 1986

All of these Securities have been sold. This announcement appears as a matter of record only.

U.S. \$150,000,000

**The Nippon Credit Bank
(Curaçao) Finance, N.V.**

8½% Guaranteed Notes Due 1991

Unconditionally Guaranteed by

The Nippon Credit Bank, Ltd.
(Kabushiki Kaisha Nippon Saiken Shinyo Ginko)

MORGAN STANLEY INTERNATIONAL

SALOMON BROTHERS INTERNATIONAL
Limited
KLEINWORT BENSON
Limited

BANKERS TRUST INTERNATIONAL
Limited

BANQUE INDOSUEZ

CITICORP INVESTMENT BANK
Limited

DEUTSCHE BANK CAPITAL MARKETS
Limited

GOLDMAN SACHS INTERNATIONAL CORP.

LLOYDS MERCHANT BANK
Limited

MERRILL LYNCH CAPITAL MARKETS

ORION ROYAL BANK
Limited

SWISS BANK CORPORATION INTERNATIONAL
Limited

S.G. WARBURG & CO. LTD.

WOOD GUNDY INC.

July 1986

MORGAN GUARANTY LTD

NIPPON CREDIT INTERNATIONAL (HK) LTD.

BANQUE FRANCAISE DU COMMERCE EXTERIEUR

BANQUE PARIBAS CAPITAL MARKETS
Limited

COUNTY BANK
Limited

CHASE INVESTMENT BANK

CREDIT LYONNAIS

GENERALE BANK

KIDDER, PEABODY INTERNATIONAL
Limited

MANUFACTURERS HANOVER
Limited

NOMURA INTERNATIONAL
Limited

SHEARSON LEHMAN BROTHERS INTERNATIONAL, INC.
Limited

UNION BANK OF SWITZERLAND (SECURITIES)
Limited

WESTDEUTSCHE LANDESBAHN
Gesellschaft

YAMAICHI INTERNATIONAL (EUROPE)
Limited

RCA Corporation

has been acquired by

General Electric Company

*The undersigned acted as financial advisor to
RCA Corporation.*

LAZARD FRERES & Co.

June, 1986

U.S. \$300,000,000



Crédit Lyonnais

Subordinated
Floating Rate Notes Due 2000

Interest Rate 6½% per annum
Interest Period 10th July 1986
12th January 1987
Interest Amount per U.S. \$10,000 Note due 12th January 1987 U.S. \$351.98

Credit Suisse First Boston Limited
Reference Agent

U.S. \$600,000,000

Banque Nationale de Paris
Partly Paid Registered
Floating Rate Notes Due 1995

Interest Rate 6.80% p.a.
Aggregate Rate 1.1750% p.a.
Interest Period 10th July 1986
12th January 1987
Interest Amount per U.S. \$250,000 Note due 12th January 1987 U.S. \$9,106.25

Credit Suisse First Boston Limited
Agent Bank

INTL: COMPANIES & FINANCE

United Technologies warns of radar system cost overruns

BY PAUL TAYLOR IN NEW YORK

UNITED TECHNOLOGIES, the US manufacturing conglomerate led by chairman Mr Harry Gray, has warned that its second quarter net earnings will be sharply depressed because of technical problems and delays developing advanced radar systems at its Norden Systems subsidiary.

As a result of the problems, United Technologies said cost estimates for the radar systems "significantly" exceed contract prices. Accordingly, the Hartford, Connecticut group said it was establishing a \$155m pre-tax reserve for the expected losses.

The provision will reduce United Technologies' second quarter earnings by about 75 cents a share. Nevertheless, the group said that despite the anticipated losses at Norden it still expected to report a profit in the second quarter when its results are released later this month.

In the year-ago quarter, United Technologies reported net earnings of \$54.8m or 34 cents a share on sales of \$4,088m.

Norden Systems, with sales last year of \$675m, is a major supplier of radar systems to the US military services and others including the Federal Aviation Administration (FAA). Norden has won several major programme contracts in the past couple of years including two FAA ground-based radar contracts and two major military airborne radar systems.

The two major military contracts won by Norden were to design, develop and produce a radar system for the US Navy's A-6E intruder attack aircraft – an order for as many as 300 systems valued at up to \$750m – and a radar system development contract for the US Air Force/Army joint Surveillance Target

Attack Radar System, or Joint Stars.

The Joint Stars development contract was valued at more than \$100m and expected to lead to follow-on production contracts worth several hundreds of millions. Joint Stars is designed to locate enemy armoured and support forces from long distances and then guide aircraft and missiles against them.

United Technologies declined to identify the specific contracts with which its Norden systems unit has run into difficulties, stating that the nature of the contracts "preclude" any discussion of them or who they are with. Nevertheless, the company maintained that "these new, highly complex advanced radar systems will provide breakthrough capabilities not presently available."

Production in the first half was delayed by 20,000 units to 45,000 vehicles. This was due, the company said, to the running down of the Rokord model, which is to be replaced by the new Omega in October.

The domestic market was Opel's strongest in the first half, fuelled by higher orders for the new Kadett and Ascona models – with deliveries up by 7.3 per cent to 211,000.

Export sales fell by 18 per cent, mainly because of lower deliveries of the Ascona to the UK.

Opel's domestic market share fell by half a point to 15.2 per cent – but it expects to regain its 1985 level of 16.1 per cent by the year-end. So far, domestic market reaction to the new Kadett model has not lived up to expectations, Mr Herke said.

Opel expects full-year production to rise from the 1,888,071 in 1985 to just over 1.9 million.

The group's DM 133.3m (\$82m) in 1985, on 14.9 per cent higher turnover of DM 14,788m, bringing the total losses since 1980 to DM 1,456m. The previous year's loss was DM 685.1m, when a nationwide metalworkers' strike cut seven weeks' production.

Opel is to spend a further DM 12bn on new models and facilities this year, part of its DM 8.7bn five-year investment plan through to 1990.

Mr Werner said Conti's goal was to put its operations on a firmer and wider European basis after its purchase of a 75 per cent stake in Semper Reifen of Austria.

The takeover, which took place in May, 1985, had already broadened Conti's base in most of Europe. But the group was also looking at ways of supplying tyres to Spain's car industry.

PHILIPS IN SIEMENS ACCORD

Legal Notices

1986 No. MP 1016
IN THE SUPREME COURT OF HONG KONG
HIGH COURT
MISCELLANEOUS PROCEEDINGS

AND IN THE MATTER OF CANADIAN & OVERSEAS OIL LIMITED
NOTICE IS HEREBY GIVEN that the Order of the Supreme Court of Hong Kong dated 4th July, 1985 confirming the reduction of the share capital of Canadian & Overseas Oil Limited, Ching Yip Street, Kowloon, Hong Kong, US\$10,000,000 to US\$1,000,000, the Minors approved the said Order with respect to the capital of the Company as altered by the said Order of the Supreme Court of Hong Kong on 5th July, 1985.

The said Minute is in the words and letters following:

"The Directors of Canadian & Overseas Oil Limited was by virtue of a Special Resolution of the Company and with the sanction of an Order of the Supreme Court of Hong Kong dated 4th July, 1985 reducing the share capital of US\$10,000,000 to US\$1,000,000, the Minors approved the said Order and had been passed and duly issued on 5th July, 1985, US\$1,000,000 divided into 4,371,390 Ordinary Shares of US\$1.00 each of which US\$1,000,000 has been fully paid up and the remainder are unissued." Dated this 9th July, 1986.

JOHNSTON, STOKES & MASTER
Solicitors for the Company

Company Notices

SAMSUNG SEMICONDUCTORS
AND TELECOMMUNICATIONS CO LTD

\$30,000,000 Floating Rate Notes due 1994
Guaranteed by

SAMSUNG ELECTRONICS COMPANY LIMITED
For the six months from July 8th 1986 to January 8th 1987 the Notes will carry an interest rate of 7½% per annum. The interest payable on the relevant interest payment date January 8th 1987 will be \$3,609.72 per \$100,000 Note.

Agent Bank
Chemical Bank

Personal

EX-M.D.O., active 61, good record, needs anything considered experience, etc. Anytime, day or night, agricultural and construction areas, domestic and foreign, abroad. Employers only please. Box 10, Cannon Street, London EC4V 4BV.

JOHN G. WELLSINGTON, Steeple Ring, Marylebone, London NW1 8QD.

24 hours for the Company

Agent Bank
Chemical Bank

Art Galleries

LEADER, 12, Old Bond Street, English Pictures for the Country House.

Mon. to Fri. 9.30-5.30.

ARRANGEMENT AT OMELLES. An exhibition of pictures, 43a Duke Street, St. James, SW1.

11am-5pm, 7.30-9pm, Mon.-Fri. 9.30-5.30, Sat. 10-1.

CLASSIFIED ADVERTISEMENT RATES

From January 1, 1986

Per Line (min. 3 lines) Single column cm (min. 3 lines) (min. 3 cm)

Commercial & Industrial Property	£ 11.50	£ 39.00
Residential Property	9.00	30.00
Appointments	12.00	41.00
Business, Investment Opportunities	11.50	39.00
Business for Sale/Wanted	11.50	39.00
Personal	9.00	30.00
Motor Cars	9.00	30.00
Holidays & Travel	9.00	30.00
Contracts & Tenders	11.50	39.00
Book Publishers	—	net 22.00
	Premium positions available £8.00 per single column cm extra	
	All prices exclude VAT	

For further details write to:
Classified Advertisement Manager
Financial Times, 10 Canaan Street, London EC4P 4BY

AIBD BOND INDICES

WEEKLY EUROBOND QUOTES JULY 4

Redemption Yield % Change 12 Months %

On Week High Low

US Dollar	9.260	-1.79%	10.850	9.094
Australian Dollar	13.270	-0.65%	14.630	12.600
Canadian Dollar	10.775	-0.55%	11.500	10.499
Euroguide	6.111	0.213	7.020	5.971
Euro Currency Unit	8.473	-0.689	9.440	8.164
Yen	6.376	-0.855	7.250	6.307
Sterling	9.961	-0.994	11.932	9.751
Deutschmark	6.552	-1.057	7.240	6.418
		Bank J. Vontobel & Co Ltd, Zurich		Telex: 812744 JVZ CH

More than just the leader in U.S. equity issues.

*1985 Ranking of Lead Managers
for U.S. Equity-related Issues*

Rank	Bank	Amount (U.S. \$ Millions)
1	Goldman, Sachs & Co.	4,851.5
2	Merrill Lynch Capital Markets	4,791.3
3	Salomon Brothers Inc.	3,645.3
4	The First Boston Corporation	2,838.0
5	Drexel Burnham Lambert	2,798.2
6	Morgan Stanley & Co. Incorporated	2,558.0
7	Shearson Lehman Brothers Inc.	2,338.5
8	Kidder, Peabody & Co. Incorporated	1,749.7
9	PaineWebber Incorporated	951.3
10	Bear, Stearns & Co. Inc.	723.0

Source: IDD Information Services, January 1-December 31, 1985

Much more.

- A leader in placing equity in markets outside the U.S. with approximately \$1.3 billion of our lead-managed equity issues syndicated with non-U.S. firms or distributed directly by us into Europe and Asia.
- A leader in bringing European and Asian equity issues to the U.S. market, with more than \$500 million of lead-managed European and Asian issues offered to U.S. investors.
- An innovator in raising funds through international private placements of equity and equity-related securities with investors worldwide, including a \$230 million private placement for Singapore Airlines.
- Premier equity trading capabilities 24 hours a day, facilitated by our membership on the Tokyo Stock Exchange.
- A top-rated research team covering 40 industries and over 750 companies worldwide, recently enhanced by the addition of preeminent international economists.
- A leading market maker in both the ADRs and ordinary shares of more than 300 international companies from 18 countries through offices in New York, London and Tokyo.

New York Boston Chicago Dallas Detroit Houston Los Angeles Memphis Miami Philadelphia St. Louis San Francisco London Hong Kong Tokyo Zurich

**Goldman
Sachs**

INTL. COMPANIES & FINANCE

Foreign control of brokers expected in Singapore

BY CHRIS SHERWELL IN SINGAPORE

THIS Stock Exchange of Singapore, under pressure from the Government, is expected to change its rules soon to allow majority foreign participation in local broking firms for the first time.

The shift will end a clear disagreement between the powerful Monetary Authority of Singapore, the island state's financial regulatory agency, and the Stock Exchange management, which is dominated by the "Big Four" local banks.

Government officials and broking firms in favour of the reform say the change will come in the next three months, once the Securities Industry Act is in force.

This legislation, passed by parliament earlier this year, gives the Monetary Authority greater powers to supervise and regulate the Singapore securities industry. Enforcement has been held up by complications

in framing the regulations under which it will operate.

Some lawyers say the complications are the result of hasty drafting. But officials insist that the legislation will be "activated" next month, and they expect that the greater clout wielded by the Authority will promote further changes in the rules on foreign participation in local brokerages.

Current policy of allowing 49 per cent participation, though a significant advance on the 25 per cent limit in effect last year was a major obstacle preventing a rescue last week of City Securities, a troubled local firm.

In that vein, Sun Hung Kai, the local Kowloon-based firm with a dealing office in Singapore, proposed a 100 per cent takeover of City's seat. The exchange rejected the plan, even though the Monetary Authority was on record as saying it now favoured majority

foreign participation.

It is widely believed that the "Big Four" banks, which dominate the exchange's supervisory committee, have resisted an increase in the 49 per cent limit because they fear additional competition for their own fledgling broking firms which they set up earlier this year.

Government officials say the Monetary Authority has not wanted to impose its views on the Stock Exchange, preferring instead to persuade it that a further increase in the ownership limit is in its members' collective interest.

If this approach fails, the securities industry legislation provides the Authority with sufficient reserve powers to encourage the change. Section 21, for example, allows the Authority to issue directions to the exchange across a wide range of areas.

Intraco rejects UIC takeover

BY OUR SINGAPORE CORRESPONDENT

SHAREHOLDERS in Intraco, the listed Singapore trading corporation controlled by the Government, have been advised to reject a takeover bid from United Industrial Corporation (UK), the quoted chemicals, trading and investment concern.

The recommendation came from Intraco's independent directors, who were advised by Wardley, the London-based management bank. They said UIC's offer undervalued both the worth of control of Intraco and its potential earnings, and had no commercial justification.

Last month UIC offered Intraco shareholders one new UIC share or \$81.70 in cash for each of their Intraco shares, a bid which valued the company at \$812.75m (US\$488.5m). Shares in UIC and Intraco each closed at \$81.98 on the Singapore stock

exchange last night. The bid highlights how government shareholdings in the corporate sector can entail complications.

The Government's controlling stake in Intraco is held through Temasek Holdings, the principal state holding company, through the nominee company of DBS Bank, a state-controlled bank, and through UIC itself, in which the government retains a significant stake.

Acceptance of UIC's share offer for Intraco would therefore increase the Government's stake in UIC. This in turn would run against the recent trend, when the Government has sought to reduce its UIC holding.

UIC already owns 18.4m Intraco shares, equivalent to 17.8 per cent of the company, and its offer is conditional upon

it acquiring at least 24.1m more shares to give it a majority stake.

In its offer document it says a successful takeover would produce a group with a combined turnover of \$850m, making UIC one of Singapore's largest companies.

But Intraco's shareholders

were told yesterday that the cash offer meant they would be selling at a discount to book value, tangible assets and market value in existence. On the share alternative they were told they would receive shares which had a "significantly different risk profile" to Intraco shares.

The problem, however, is that Intraco is widely reckoned to have performed poorly down the years. Profits have fallen, and there have been several resignations from the board this year.

Intraco's performance is that

RHM OVERSEAS FINANCE B.V. U.S. \$40,000,000 9 per cent. Guaranteed Bonds 1992

REDEMPTION OF BONDS

Morgan Grenfell & Co. Limited announces that for the annual redemption due on 15th August, 1986 Bonds for a total of US\$1,360,000 nominal of the above Loan have been purchased and tendered to them for cancellation. The nominal amount of bonds to be distributed to satisfy the annual redemption is accordingly US\$164,000 and the nominal amount of the Loan remaining after 15th August, 1986 will be US\$26,000,000.

DRAWING OF BONDS

Notice is hereby given that Drawings of Bonds of the above amount will take place at the Office of Morgan Grenfell & Co. Limited on 3rd July, 1986 immediately after regular business hours. Drawings will be made in New York, London, Paris, Geneva, Zurich, Vienna, Geneva, Norway, Paris, when 640 Bonds for a total of US\$264,000 nominal will be drawn for cancellation on 15th August, 1986.

The following are the numbers of the Bonds drawn:

44	99	323	457	707	747	920	998	1216	1269	1315	1359	1385	1388
1500	1501	1502	1503	1504	1505	1506	1507	1508	1509	1510	1511	1512	1513
2026	2103	2167	2173	2183	2228	2236	2288	2428	2444	2455	2459	2528	2656
2713	2772	2856	2881	2906	3077	3090	3107	3228	3300	3332	3363	3441	3483
3492	3532	3633	3660	3805	3894	3903	3937	4047	4074	4109	4261	4262	4334
4378	4463	4474	4563	4706	4722	4731	4761	4843	4945	5152	5213	5286	5309
5313	5398	5599	5676	5730	5818	5823	5866	5891	5985	6018	6092	6101	6117
6228	6245	6246	6210	6240	6390	6409	6410	6460	6492	6510	6525	6581	6608
6720	6721	6722	6723	6724	6725	6726	6727	6728	6729	6730	6731	6732	6733
6820	6826	6876	6878	6879	6880	6886	6897	6918	6951	6960	6973	6974	6983
8905	8916	8916	8904	8970	9085	9139	9139	9149	9169	9397	9500	9521	9575
9626	9795	9810	9832	9833	9908	9973	10013	10040	10069	10085	10146	10163	10211
10266	10267	10268	10269	10270	10271	10272	10273	10274	10275	10792	10793	10801	10826
11248	11303	11324	11335	11376	11386	11393	11427	11452	12081	12091	12105	12113	12185
12233	12250	12264	12274	12314	12338	12413	12423	12461	12464	12491	12521	12618	12631
12654	12661	12741	12781	12816	12827	12853	12978	13030	13055	13125	13154	13165	13185
13244	13251	13252	13253	13254	13255	13256	13257	13258	13259	13261	13262	13263	13264
13620	13629	13705	13707	13731	13757	13866	13884	13885	13896	14103	14110	14141	14187
14192	14229	14243	14317	14347	14381	14422	14431	14459	14520	14564	14630	14694	14745
14749	14758	14914	14935	14957	14974	14985	15193	15199	15229	15294	15333	15407	15424
15501	15538	15568	15605	15747	15768	15821	15965	15974	16031	16072	16130	16202	16268
16363	16368	16373	16381	16386	16514	16521	16539	16566	16710	16767	16913	17011	17081
17082	17097	17228	17245	17316	17330	17361	17388	17408	17456	17483	17502	17521	17561
18418	18511	18538	18547	18550	18822	18857	18975	19011	19119	19169	19227	19248	19279
19397	19416	19446	19460	19700	19706	19788	19794	19853	20067	20107	20121	20175	20310
20334	20356	20365	20391	20401	2042	20465	20510	20550	20583	20621	20653	20666	20746
21514	21531	21635	21635	21671	21722	21787	21788	21824	21851	21937	21977	22005	22015
22034	22084	22106	22113	22142	22205	22272	22283	22313	22403	22425	22435	22461	22495
22468	22494	23561	23562	23563	23565	23746	23817	23883	23927	24100	24151	24163	24270
24307	24346	24358	24452	24457	24495	24653	24740	24759	24835	24965	25002	25038	25159
25203	25246	25282	25313	25384	25418	25441	25525	25582	25628	25698	25832	25856	25978
26015	26140	26142	26250	26257	26279	27549	27616	27630	27815	27881	27954	28054	28197
28222	28232	28385	28409	28602	28618	28624	28670	28745	28804	28847	28878	29003	29207
29111	29162	29177	29239	29412	29466	29483	29574	29647	29712	29817	29817	29903	30000
32060	32152	32153	32159	32280	32301	32325	32360	32415	32463	32465	32546	32581	32659
32725	32801	32821	32821	32825	32830	32835	32840	32845					

UK COMPANY NEWS

Assoc. Newspapers expects setback

Associated Newspapers Holdings has made the progress it was looking for last March at the time of its £30m cash call on shareholders.

From a turnover £53.9m ahead at £259m the group, publisher of the Daily Mail, Mail on Sunday and the London Standard, raised its profits for the opening six months of the 1985-86 year from £16.4m to £19.2m pre-tax.

City analysts were expecting profits in the region of £18m to £18.5m, although some anticipated nearer £20m.

The interim dividend is being lifted from an effective 1.37p to 1.5p net on the capital enlarged by the rights issue. Earnings for the half year to March 31 improved by 1.8p to 8.7p per 25p share.

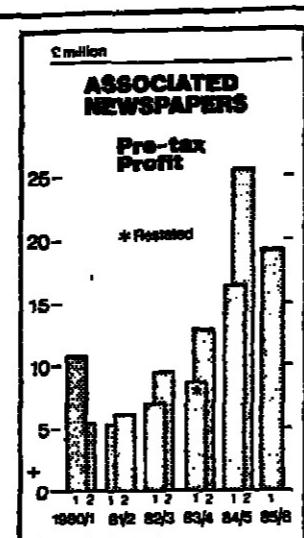
Like most other Fleet Street groups, Associated is preparing to move its printing plant to London's docklands. In May it arranged a £120m multi-option bank credit facility which would enable the relocation of the national newspaper printing operation to proceed. The rights was part of the package.

The directors said yesterday that the full benefits from the exceptional expenditure on redundancy and reorganisation of the national newspapers would not be felt during the current year.

They warned that despite an anticipated improvement in the



Lord Rothermere, chairman of Associated Newspapers



group's underlying trading performance, profits for 1985-86 as a whole were likely to be lower than the previous year's £41.9m pre-tax. The group's shares closed 7p lower yesterday at 323p.

It was pointed out that so far the Daily Mail and Mail on Sunday had incurred £4.4m of the costs of the programme of redundancies and reorganisation. The programme will last for the next three years. These

costs, together with redundancy costs being incurred at the London Standard, were being fully charged against profits.

During the first six months Northcliffe Newspapers, the provincial group, continued a steady contribution with improved profits.

The directors said that the flotation of the Euromoney Publications subsidiary on the Luxembourg Stock Exchange was successful and would facilitate

the offshoot pursuing a largely independent expansionary policy. Euromoney's profits for the half year continue to show a satisfactory improvement.

In the US, substantial growth was again achieved by the 13.30 group.

Trading profits of Blackfriars Oil and Gas increased sharply following the first winter's production from the Esmond gas complex. North Sea financing costs, which were capitalised up to September 30 1985, are now included in the group's interest charge and amounted to £2.9m for the opening half year.

The directors noted that as the profits from Blackfriars Oil and Gas now mainly derive from gas which is affected by the seasonal demand of the British Gas Corporation, a significantly greater proportion of the group's trading profits were likely to be achieved in the winter first half of each financial year than in the past.

Group trading profits for the past half year averaged to £18.3m, an improvement of 6.5 per cent over the same time's £15.9m. The share of related companies' profits was the same at £1.5m but income from other fixed asset investments slipped from £2.1m to £1.5m.

Tax rose to £8.2m (£7.7m) and left net profits at £11m, compared with a previous £8.7m. See Lex

Hambro strengthens estate agent arm

By Eric Short

Hambro Countrywide, the estate agency arm of merchant bankers Hambro, has agreed terms for the acquisition of the Mandrake Group—a Birmingham-based estate agency firm.

The cost of the acquisition, nominally £10m, is based on a complex profit-related basis,

dependent on the achieved profits over the 12 months from the date of completion.

Mandrake was incorporated on June 1, 1986 through the merger of two Birmingham residential estate agents—Dixons Dobson and Carter and Ward, Turner—and the financial services group Mandrake (Insurance and Finance Brokers).

The directors of Mandrake have forecast total pre-tax profits for the 12 months from completion of not less than £2.5m for the two-year period from completion. No comparable figures are available for previous years.

The consideration for the purchase of Mandrake will be in the issue of shares and is being made in stages:

• A payment of £3.33m on completion of the deal, expected to take place early next month. Hambro's Committee will be issuing sufficient shares to satisfy the payment.

The vendors will, however, be receiving £3.01m of the payment in cash, the money being obtained by a vendor placing and will be retaining the balance in £8.811 shares in Hambro Countrywide.

• Further payments at the end of the first and second years, the amount of which will relate to the profits achieved in these periods. If the forecasts are met then the consideration in each case will be £3.33m in share form.

For every £1 the forecast is exceeded or there is a shortfall, the consideration will be lifted or diminished by £3.33, subject to the maximum number of shares to be issued under this agreement, excluding the vendor placing, of 4,496,624.

The vendors have undertaken that Mandrake's net asset value on completion will not be less than £1.2m.

Mandrake has 33 residential sales outlets in and around Birmingham and seven financial services centres stretched from Plymouth through Birmingham to Wisbech in the East.

Hambro Countrywide resulted from the merger of two major estate agencies—Mann and Co. and Birstow Evans. This latest acquisition brings the number of residential sales offices to 385, confirming the group as the UK's largest estate agency chain. It will also have 21 financial services centres.

Mandrake will fill the present gap in Hambro Countrywide's coverage in the Midlands between Northampton and Manchester.

Tricentrol sale will take pressure off balance sheet

By LUCY KELLAWAY

Tricentrol yesterday became the latest in a series of distressed independent oil companies to announce details of a plan which will relieve the pressure on its heavily geared balance sheet.

The company is planning to raise \$82m (£52m) through the sale of its US and Canadian interests.

Dillon Read, the US investment bank, is putting together a package to finance the restricted North American company, in which Tricentrol will retain a 25 per cent equity stake. The remainder will be placed privately.

As a result of the deal, Tricentrol will reduce its borrowings from about £145m to

less than £100m. The deal will remove the pressure for an urgent sale of Tricentrol's 20 per cent stake in the Amethyst gas field, which has been on the market since January, and could therefore result in a higher price being obtained.

The company has recently completed a study of its operations and concluded that its stake in the onshore Witch Farm oil field and its latest North Sea gas discoveries form the central part of Tricentrol's long term interests.

However, in order to maintain these operations, Tricentrol will have to spend £57m over the next nine years. While the company expects crude prices to "rise considerably"

over that time, it recognises that it still may need to range-farm assets and put together other financial deals.

The businesses being sold include Tricentrol's big trading operation, its US and Canadian exploration and production interests, and its natural gas marketing operations. Together its North American interests made profits in 1985 of about £6m and about £1.7m in the first quarter of 1986.

Tricentrol is hoping to achieve reductions in costs without diminishing its capacity as an operator as a result of the proposed simplification of the company.

The company's shares closed 3p higher yesterday at 49p.

Birmingham Mint soars 70%

A GROWTH rate of 70 per cent for the year to March 29 1986 lifted pre-tax profits to a record £1.63m at Birmingham Mint Group, the coin and medal minting concern which also has electronic components interests.

The result compares with £857,000 last time, and was achieved on turnover just 14 per cent ahead at £26.57m.

Earnings per share were up nearly 20 per cent at 17.1p on a 25p share capital. The directors have declared a final dividend of 4.25p (4p adjusted) for a total of 6.25p—a rise of 0.5p.

The profit surge looks set to continue into the current year. Mr Colin Perry, the chairman, said yesterday that all indications point to another full year of progress and growth. "The first half has begun well, and is expected to show further progress. In the absence of unforeseen circumstances, this trend seems likely to continue into the second half."

In 1985-86 there was further improvement in trade with overseas governments. These "buoyant conditions" were continuing, and some substantial orders have been received.

Mr Perry said that the electrical and electronic components

business achieved good profits growth in favourable market conditions. "The company has a first rate customer list, ranging from domestic electrical fittings manufacturers to the micro-switch industry." It acquired a small manufacturer of precision wire products towards the end of the year.

The metal pressings business consolidated its activities into one site during the year, and obtained important new orders, providing a good base for further growth in the current year.

The main impetus for growth, however, is due to come from the electrical division of the microswitches supplies mainly switch contacts. Substantial acquisitions will soon be added to this area.

Mr Perry has not been disengaged by the experience of buying a 35 per cent stake in struggling jewellers Asics and is aiming to build one of the conglomerates of the future. Pre-tax profits of £2.2m look feasible, which on a 35 per cent tax charge puts the share at 160p, on a prospective p/e of 8.5.

Despite the cheapness, investors may wish to wait to see whether the next acquisition looks a better prospect than Asics.

Harrison Inds. prepares for full listing

By Richard Tomkins

Harrison Industries, the main division of which is one of the leading UK suppliers of industrial doors, will be seeking a full listing later this week through an offer for sale.

Hill Samuel, the merchant bank, will be offering 3.3m shares at 150p each, putting a value on the company of £17.5m. Broker to the issue is Wood Mackenzie and the prospectus will be published on Friday.

Harrison, a holding company, was founded in 1971 by its chairman, Mr Ken Harrison, and now has four divisions: industrial doors, castings, power transmissions and domestic garage doors.

The industrial doors division accounts for about 70 per cent of sales and has a wide range of end users. It installed security and automatic fire doors for the Newcastle upon Tyne metro system and more recently supplied hangar doors to the Falkland Islands.

LADBROKE INDEX
1,234-1,340 (+14)
Based on FT Index
Tel: 01-427 4411

Standard Bank discloses stake

BY DAVID LASCELLES, BANKING CORRESPONDENT

Tan Sri Khoo, the Malaysian businessman, has built up a 5.03 per cent stake in Standard Chartered Bank, which is fighting off an unwelcome takeover bid from Lloyds Bank.

The interest was disclosed yesterday by Standard in a statement issued through the Stock Exchange.

Other shareholders include Transatlantic Insurance Holdings and Sandal Investments in the Far East, which together have 1.25 per cent. They are subsidiaries of Liberty Life Association of Africa, the

major shareholder in Stanbic, Standard's South African associate company.

A Standard spokesman said yesterday he did not know whether Mr Khoo planned to increase his stake.

He confirmed, though, that Mr Khoo was now the largest shareholder in Standard.

Other shareholders include

Scantronic Holdings, which manufactures intruder alarms and medical alert systems, is raising £2.75 via a 3-for-11 rights issue at 108.7p, a premium of 8.7 per cent over the opening price yesterday.

Neither the directors, who hold 25.7 per cent of the company, nor Automated Security (Holdings), which holds 37.18 per cent, are taking up their rights.

In addition, some 650,000 ordinary shares currently being held by ASH will be sold and the net effect, assuming full conversion, will be to reduce ASH's holding to 25 per cent and that of the directors to 20 per cent. ASH intends to maintain its reduced stake.

Scantronic made pre-tax profits of £922,114 in the year to March 31 on turnover of £45.5m, up from £70.9m in the previous year. The chairman stated that "sales, orders and turnover to date substantially exceed those for the comparable period last year."

Barclays de Zoete Wedd are underwriters and de Zoete Bevan brokers to the issue.

conversion, will be to reduce ASH's holding to 25 per cent and that of the directors to 20 per cent. ASH intends to maintain its reduced stake.

Scantronic made pre-tax profits of £922,114 in the year to March 31 on turnover of £45.5m, up from £70.9m in the previous year. The chairman stated that "sales, orders and turnover to date substantially exceed those for the comparable period last year."

Barclays de Zoete Wedd are underwriters and de Zoete Bevan brokers to the issue.

conversion, will be to reduce ASH's holding to 25 per cent and that of the directors to 20 per cent. ASH intends to maintain its reduced stake.

Scantronic made pre-tax profits of £922,114 in the year to March 31 on turnover of £45.5m, up from £70.9m in the previous year. The chairman stated that "sales, orders and turnover to date substantially exceed those for the comparable period last year."

Barclays de Zoete Wedd are underwriters and de Zoete Bevan brokers to the issue.

conversion, will be to reduce ASH's holding to 25 per cent and that of the directors to 20 per cent. ASH intends to maintain its reduced stake.

Scantronic made pre-tax profits of £922,114 in the year to March 31 on turnover of £45.5m, up from £70.9m in the previous year. The chairman stated that "sales, orders and turnover to date substantially exceed those for the comparable period last year."

Barclays de Zoete Wedd are underwriters and de Zoete Bevan brokers to the issue.

conversion, will be to reduce ASH's holding to 25 per cent and that of the directors to 20 per cent. ASH intends to maintain its reduced stake.

Scantronic made pre-tax profits of £922,114 in the year to March 31 on turnover of £45.5m, up from £70.9m in the previous year. The chairman stated that "sales, orders and turnover to date substantially exceed those for the comparable period last year."

Barclays de Zoete Wedd are underwriters and de Zoete Bevan brokers to the issue.

conversion, will be to reduce ASH's holding to 25 per cent and that of the directors to 20 per cent. ASH intends to maintain its reduced stake.

Scantronic made pre-tax profits of £922,114 in the year to March 31 on turnover of £45.5m, up from £70.9m in the previous year. The chairman stated that "sales, orders and turnover to date substantially exceed those for the comparable period last year."

Barclays de Zoete Wedd are underwriters and de Zoete Bevan brokers to the issue.

conversion, will be to reduce ASH's holding to 25 per cent and that of the directors to 20 per cent. ASH intends to maintain its reduced stake.

Scantronic made pre-tax profits of £922,114 in the year to March 31 on turnover of £45.5m, up from £70.9m in the previous year. The chairman stated that "sales, orders and turnover to date substantially exceed those for the comparable period last year."

Barclays de Zoete Wedd are underwriters and de Zoete Bevan brokers to the issue.

conversion, will be to reduce ASH's holding to 25 per cent and that of the directors to 20 per cent. ASH intends to maintain its reduced stake.

Scantronic made pre-tax profits of £922,114 in the year to March 31 on turnover of £45.5m, up from £70.9m in the previous year. The chairman stated that "sales, orders and turnover to date substantially exceed those for the comparable period last year."

Barclays de Zoete Wedd are underwriters and de Zoete Bevan brokers to the issue.

conversion, will be to reduce ASH's holding to 25 per cent and that of the directors to 20 per cent. ASH intends to maintain its reduced stake.

Scantronic made pre-tax profits of £922,114 in the year to March 31 on turnover of £45.5m, up from £70.9m in the previous year. The chairman stated that "sales, orders and turnover to date substantially exceed those

UK COMPANY NEWS

Nationwide backs housing schemes in £30m issue

By CLARE PEARSON

Nationwide Building Society yesterday raised £30m mainly for building, owned, rented and shared ownership housing schemes through an innovative index-linked domestic loan stock.

The issue is designed to finance advances to housing associations since "they need mortgages with interest payments that vary with levels of rents, which move roughly in line with inflation."

Nationwide said earlier this week that home ownership was near the saturation point and it could not increase membership further than its present rate of 66 per cent of all households. It felt that building societies should respond by becoming socially responsible landlords, housing people who could not realistically expect to become owner occupiers.

Building societies have so far had little scope to make index-linked advances since their traditional retail and wholesale

sources of funds do not match them.

Nationwide, which pioneered index-linked mortgages three years ago, said yesterday it had so far lent about £10m in index-linked advances, financed by conventional means.

Yesterday's fund raising is earmarked for additional lending.

Although the Halifax Building Society arranged index-linked funds through a £15m private placement last year, the Nationwide is the first building society to arrange a listed index-linked issue.

Warburg Securities arranged the issue and it is being placed by Rowe & Pitman, Mullen, Warburg's broking affiliate.

If any of the mortgage advanced funded by the issue are pre-paid, they will not replace Nationwide's own reduction in stock pro rata, but only after the end of the first year.

Nationwide's 35-year loan stock is comparable to an index-linked gilt-edged stock. Both interest and capital will be uplifted every six months in line with inflation.

Suter unloads F H Lloyd stake

By LAURIE LUDWICK

Suter, the acquisitive engineering and distribution group, headed by Mr David Abell, has sold its 27.7 per cent stake in F H Lloyd Holdings, the foundry and engineering company, to a group of 18 institutional investors.

Suter sold the stake of 6.6m shares at a price of 68p per share, including the dividend entitlement. Net proceeds of £4.22m will be used to pay back Suter's short term borrowings.

Mr Abell said the decision to sell was made several months ago after unsuccessful attempts to integrate Lloyd's foundry business with the Suter group. "We abandoned the attempt

and decided to change course because they (Lloyd) would not talk to us about the rationalisation of the steel business," said Mr Abell.

Mr John Pinckard, chief executive of F H Lloyd, said the company was very pleased with Suter's departure.

Suter started buying shares in Lloyd in January 1985. In the past year it had acquired a number of engineering and foundry companies, including Francis Industries, Lake and Elliott.

Mr Abell said Suter had no plans to increase its holding in Newmark Industries, the manufacturer of electric motors and

assembly systems. This week it increased its stake in Newman to 9.03 per cent, from 7.23 per cent in April.

Mr Pinckard said Suter will focus on "stacking out" its most recent acquisition - UKO International - the spectacle lens manufacturer it purchased in April for £51.2m.

For the year ending December 1985, Suter made £2.5m pre-tax profit on £110m turnover. In 1984, Suter made £4.1m pre-tax profit on £47.3m turnover.

Suter shares fell 1p to close at 245p, while F H Lloyd also fell slightly to 64p, down 1p on the day.

Tranwood confirms 50% Aitken stake

By CHARLES BATCHELOR

Tranwood, the shell company headed by Mr Nick Oppenheim, confirmed yesterday it held just over 50 per cent of the shares of Aitken House, the troubled financial services group for which it has bid £89m.

With the proceeds, Nationwide will provide mortgage advances to housing associations and other borrowers at a special rate of interest of 4½ per cent index-linked.

The issue's real rate of return has been set at 3.286 per cent, the sum of 6.60 per cent and the gross real rate of return on the 2½ per cent Index-Linked Treasury Stock 2020 at 3 per cent yesterday. The issue was priced at 99.937 per cent and coupon payments will be at a rate of 5½ per cent.

Warburg Securities arranged the issue and it is being placed by Rowe & Pitman, Mullen, Warburg's broking affiliate.

If any of the mortgage advanced funded by the issue are pre-paid, they will not replace Nationwide's own reduction in stock pro rata, but only after the end of the first year.

The issue is partly paid with £25 per £100 nominal payable on acceptance, and the balance on or before October 24 this year.

There was a provision for

All of the "Certificats d'Investissement" having been sold, this announcement appears as a matter of record only.

JUNE 1986



ISSUE OF 8 000 000 OF "CERTIFICATS D'INVESTISSEMENT"

Issue price: F 300

Banque Nationale de Paris

Lazard Frères et Cie

Crédit Lyonnais

Société Générale

Banque Indosuez

Caisse des Dépôts et Consignations

Crédit Suisse First Boston Limited

Deutsche Bank Capital Markets Limited

Crédit Industriel et Commercial de Paris

Crédit Commercial de France

Banque Paribas

Algemene Bank Nederland NV

Banque Bruxelles Lambert S.A.

Morgan Guaranty Ltd

Banque Demachy Banque Fédérative du Crédit Mutual

Banque pour l'Industrie Française

Banque Industrielle et Mobilière Privée Banque Louis Dreyfus

Banque de Neuville, Schlesinger, Mallet

Banque du Phénix Banque Stern

Banque Worms

Banque Centrale des Banques Populaires Caisse Nationale du Crédit Agricole Chase Manhattan Bank

Kleinwort, Benson Limited

Crédit Chiratique Crédit de Nord

Merrill Lynch Capital Markets

Kredit Bank L'Européenne de Banque

Swiss Bank Corporation International Limited

National Westminster P.O. Banque

Attwoods' reconstruction

Attwoods, the waste-handling group in which Mr Michael Ashcroft's Hawley Group has a 29.9 per cent stake, plans a financial reorganisation to allow it to write off from reserves a goodwill generated by recent acquisitions.

The company intends to reduce the value of its shares from 25p to 5p, leading to a reduction in the value of its total authorised capital from £12m to £2.4m, and to cancel its share premium account.

DIVIDENDS ANNOUNCED

	Current Payment	Date of payment	Corresponding div.	Total	Total last year
Asse Newsapers int	1.5	Aug 21	1.88*	—	4.25%
Birmingham Mail	4.25	Sept 5	4*	8.25	5.75%
M & G Dual	15.65	—	13.2	—	28.75
Southern Business int	1.3	—	1	—	2.7

Dividends shown in pence per share except where otherwise stated. *Equivalent after allowing for scrip issue. †On capital increased by rights and/or acquisition issues. ‡USM stock.

Thornton Liquid Reserves Fund Limited

A NEW FUND OFFERING EASE AND CONVENIENCE IN CURRENCY INVESTMENT WITH WHOLESALE RETURNS

Serious investors keep a proportion of their capital as liquid as possible.

However, deposit accounts are not as effective as taking advantage of international interest rates. By holding shares in a currency fund, shares which are denominated in eight leading currencies, you enjoy the benefit of wholesale interest rates as well as the possibility of significant capital gain from currency movements.

WHOLESALE RATES:

The Thornton Liquid Reserves Fund offers rates of interest appreciably higher than those usually available to the private investor. You'll enjoy, in fact, the full wholesale rates usually given only to financial institutions.

EASE OF ACCESS:

The Thornton Managers feel that speed and ease of access will prove to be an important factor in your dealings. Therefore, it is possible to opt for the Free Bookstock Service with no scrip required.

Switching is easy—and with eight currencies to deal with, this could prove critical.

For even greater convenience, normally all daily dealings will be quoted at a single price.

OBJECTIVES:

The objective of the Fund is to invest in deposits and short-term obligations of banks and other first class institutions and is designed to provide a convenient and easily realisable medium of investment for investors who require a wholesale rate of return in a currency chosen by the investor combined with a high degree of capital protection.

Principal features of the Fund are given above the coupon. For a Prospectus and Application Forms, on the basis of which applications for shares in the Fund will be accepted, please complete the coupon.

PRINCIPAL FEATURES OF THE FUND

Eight classes of shares, representing:

US Dollars	Deutschmarks
Sterling	Swiss Francs
Hong Kong Dollars	French Francs
Japanese Yen	Australian Dollars

Separate funds maintained for different share classes each having a portfolio of assets related to the relevant currency.

High liquidity: all investments maturing within 12 months from acquisition; 20% maturing on seven days' notice or less.

No initial charge – annual management charge of ½ per cent per annum – switching fee of ½ per cent.

Registered or bookstock shares able to be converted from one class to another by telephone or telex request.

At least 85% of net income to be distributed: dividends will, unless otherwise requested, be re-invested into further shares.

THE MANAGERS

The Managers are Thornton Management (C.I.) Ltd., represented in London by Thornton Management Ltd., and the Advisers are Thornton Management (Asia) Limited in Hong Kong, all being wholly-owned subsidiaries of Thornton & Co. Limited.

Mr Richard Thornton is the Chief Investment Officer of the Thornton & Co. Group and was one of the two founders of GT Management Ltd., where he was a Director and Chief Investment Officer until November 1985.

THORNTON

THORNTON MANAGEMENT LIMITED

Licensed Dealer in Securities

LONDON • HONG KONG • SAN FRANCISCO
To: Thornton Management Ltd, Park House, 16 Finsbury Circus,
London EC2M 7DJ. Telephone: 01-638 4761.

Please send me your Prospectus on Thornton Liquid Reserves Fund Limited.

Name _____

Address _____

Postcode _____

10/7/86

Marshalls Halifax PLC

Concrete products, Quarrying & Engineering

Results for year to March 31st 1986.

"Last year was one of solid achievement and I am quietly confident regarding the outcome of the current year."

David R. Marshall
Chairman

Sales £69.3m up 13.7%
Profit before Tax £7.4m up 20.4%
Dividend for year 5.25p up 17.0%

Capital investment during the year £7.9m

For a copy of the Report & Accounts please contact the Secretary

Marshalls Halifax PLC
Hall Ings, Southowram, Halifax HX3 9TW
Telephone: (0422) 64521



This announcement is a matter of record only.

COUNTY SECURITIES

is pleased to announce the sale of some £135 million of investments owned by The Continental and Industrial Trust PLC following the offers on behalf of TransAtlantic Insurance Holdings PLC becoming unconditional in

all respects on
8th July 1986.**County Securities Limited**

The NatWest Investment Bank Group

10th July 1986

Company Notices

NACIONAL FINANCIERA S.A.
U.S.\$100,000,000
Floating Rate Notes 1978-1993
In accordance with the terms and conditions of the above mentioned floating rate notes, the interest rate applicable for the period from July 3, 1986 to January 3, 1987 (184 days) has been fixed at 75.4% per annum payable on each Note of U.S.\$1,000 on January 3, 1987 and the coupon number 18 will be U.S.\$38.61.

BANQUE INTERNATIONALE
A LUXEMBOURG
Societe Anonyme
Facial Agent

THE FINANCIAL TIMES
is proposing to publish a survey on
EMPLOYEE WELFARE

Tuesday September 16 1986
For further information please contact:

MARK FISHER
on 01-248 8000 ext 3388

FINANCIAL TIMES
EUROPE'S BUSINESS NEWSPAPER

**ONLY ONE BANK
IN CHINA HAS KEPT ITS
DOORS OPEN FOR
120 YEARS.**

**UK COMPANY NEWS****All-round progress lifts expanding SBG to £1.14m**

WITH ALL divisions making progress the Southern Business Group was able to lift its profits for the opening six months of the 1985-86 year by 33 per cent to £1.14m at the pre-tax level.

Turnover for the half year to March 31 pushed ahead from £3.34m to £4.03m — the Croydon-based group supplies photocopiers and vending machines on a leasing and rental basis.

During the six months the photocopier division continued to make substantial progress. The other two sectors, Maxxap and Facsimile, traded at highly satisfactory levels.

At year-end forward contracted income stood at £46m, an increase of 47 per cent on an annual basis.

The directors said that the 50 per cent associates, Pioneer Copying Machines (the group acquired its stake in the company last November), contributed positively to the interim results and produced forward contracted income of £1.6m at end-March.

They added that the adoption of the overhead control system would enhance Pioneer's contribution in the future. The share of related companies profits amounted to £25,000 (nil) in the half year.

Attributable profits emerged £273,000 ahead at £1.04m after tax of £96,000, up from £85,000.

Earnings worked through 1.16p higher at 6.72p per 10p share and the interim dividend was being increased from 1p to 1.3p net. The group paid a total of 2.7p for the 1984-85 year pre-tax profits of £1.91m (£1.52m).

The Pioneer acquisition cost

the group £423,000 in cash. In May this year it purchased 50

per cent of Bemwirth Copying

Machines (Holdings), a dis-

distributor with offices in Orpington and Southampton, for £771,450

in cash and 163,250 new

Southern shares.

The directors announced yes-

terday the death of Mr George

Stewart, a 42 per cent share-

holder and chairman of the

group. He died last Friday. They have not yet decided on his replacement.

• comment

Southern's late chairman had long since relinquished day-to-day control of the company and his 42 per cent stake is now in the firm hands of family trustees, so it was the figures themselves to which the market was looking yesterday. It found them pleasing: turnover growth,

temporarily depressed by Southern's policy of switching customers from 5 to 7 year contracts on finer terms, is back up to 21 per cent while margins have been fattened by the company's move into supplying ink and paper together with its photocopying machines. Southern is experiencing 15 to 20 per cent growth in installations but on higher volume machines, so its forward contracted income is up from £38m last September to £46m now. This rate of growth suggests at least £2.5m for the full year, putting the shares on an undemanding prospective p/e ratio of 10.5 at 152p.

COMPANY NEWS IN BRIEF

M&G DUAL TRUST declared an interim dividend of 15.65p (13.2p) and forecast a final of at least 17.35p. Gross revenue for the six months to end-June 1986 was £1.27m (£1.08m), subject to tax of £367,856 (£325,434). Earnings per 10p income share were 15.65p (13.2p).

METAL EXPLORATION'S cash offer of 150p per share for Hampton Gold Mining Areas has become unconditional and remains open until further notice. Acceptances for the offer lifted Metals' stake in Hampton to 54.6 per cent. Also, acquisitions of a further 4.6 per cent await completion of settlement procedures.

BET'S £55m bid for Shorrock, the security company, has been declared unconditional, with BET controlling 12.5m shares, or some 52 per cent.

A. F. BULGIN & COMPANY, maker of electronic and electrical components, made slow but steady progress in the year to January 31 1986. On a little changed turnover to £8.88m (£8.84m), pre-tax profits rose from £188,000 to £234,000. The result was struck after excep-

tional costs of £225,000 (£191,000). There is a nominal final payment of 0.1p (0.58p) in interim for 1984-85.

LADBROKE GROUP'S offer for Gable House has been accepted by shareholders accounting for 37.7 per cent of the shares. The offer has been declared unconditional and will remain open.

CAP GROUP'S offer for Yarrow

has been accepted by share-

holders representing 33.4 per

cent of the shares. CAP intends to compulsorily acquire the outstanding Yarrow shares.

RATNERS (JEWELLERS); the

recommended offer for H. Samuel had been accepted by holders accounting for 69.7 per cent of the ordinary by the closing date on July 3 1986.

Acceptance for the "A" ordinary

was 69.3 per cent and for the preference (94.2 per cent).

Ratners now claims 95.9 per

cent of the ordinary.

YEARLING BONDS totalling

£1.5m at 9 per cent, redeemable

on July 15 1987, have been

issued by the following local

authorities: Brentwood District

Council £0.25m; East Staffs-

hire District Council £0.5m;

West Oxfordshire District Coun-

cil £0.25m; Aberdeen (City of)

District Council £0.5m.

BSG INTERNATIONAL has sold its Vauxhall-Bedford dealership, Bristol Street Motors (Wolverhampton) to C. D. Bramall. The cash consideration will be determined by reference to net assets at 31 June 1986, plus a premium, but is expected to be about £400,000, of which 90 per cent has been received. The dealership has also repaid a £1.5m loan from BSG.

FLEMING OVERSEAS Investment Trust is paying a final dividend of 1.75p for the year to June 30 1986 for a same again total of 2.75p net. Payment will come from revenue reserve. Future dividends will depend on distributable revenue. Available revenue for the period after tax of £1.61m to £3.04m

plus a premium, but is expected to be about £400,000, of which 90 per cent has been received. The dealership has also repaid a £1.5m loan from BSG.

WOOLWORTH HOLDINGS financial advisors, N. M. Rothschild and Sons, Charterhouse Bank and Goldman Sachs International, have purchased in aggregate 770,000 ordinary Woolworth shares for their own account at prices ranging be-

tween 701.5p and 705p.

Financial Times Thursday July 10 1986**BUILDING CONTRACTS****Trentham wins £21m**

G. PERCY TRENTHAM has won contracts worth more than £21m in the past few weeks including an office block in Glasgow, worth £1m, a retail warehouse in Watford, and a 1,030 metres long airstrip at London Stotfold.

In Hitchin, Trentham has started work on a three-storey office building with underground car parking at Hitchin Priory, Charlton Road, under a £3.7m contract for the National Mutual Life Assurance Society. A single-storey computer building is also included in the agreement, together with a covered service and pedestrian link to the existing priory, and the construction of a new porter's lodge. Completion is due in November 1987.

For BOC Transfield, Trentham is building a 100,000 sq ft textile distribution depot on Ashford Industrial Park, Sevington, Ashford, in a £2.8m "design, manage and construct" contract. The runway, to be built at Silvertown on a site between Royal Albert Dock and King George V Dock at a cost of just over £2m including extensive ancillary works, is part of a Mowlem Management contract.

In Teiford, Shropshire, for the Trustee Savings Bank, a training centre is to be built at Forge gate, under a contract worth £1.52m. The centre will provide 60 studio bedrooms, lecture and seminar rooms, and catering/recreational facilities, together with associated services, roads, car parks and landscaping.

Under a £1.4m sub-contract from main contractor, Norwest Holt Management Contracting, Trentham is constructing a £232,000 remedial works scheme for the new County Hall of Collington Road, South Cardiff, with associated works including staircase and structural steelwork to support brick cladding. Hospital work includes an obstetric unit at Llandough Hospital for the Welsh Health Common Services Authority, under a contract worth £4.2m.

For Sun Life Assurance, at Overpool Way, Watford, the contractors have received instructions totalling £1.2m to build a 14,500 sq ft industrial unit with offices for occupation in the region of £2.4m by Peter Rice Developments, and Raymond Rice Developments for an office development at Sheen Road, Borehamwood.

NORWEST HOLT has started work on a new grandstand for the Rowley Green racecourse at Newmarket, a £2.5m contract.

It has demolished a Jockey Club stand to make way for the new structure. This will house general viewing areas, private luncheon boxes and a Royal Box.

HARDEN YOUNG has been awarded six contracts worth £12.9m. Two for refurbishment work are a £4.5m contract from Taylor Woodrow for HVAC and associated electrical work at Kingsgate House,

and a £2.5m programme scheduled for 1982.

JOHN WILLMOTT CONSTRUC-

TION, a subsidiary of the John Willmott Building Group, has

been awarded a contract worth £1.5m by Peter Rice Developments, and Ray-

mond Rice Developments for an office development at Sheen Road, Borehamwood.

At the Ridgeway, Iver, Bucks, under a £2.6m contract for London and Bristol Development, Trentham is building "Reflection West" — a project comprising two light industrial buildings with ancillary units totalling 65,000 sq ft — in a programme scheduled for 1982.

At the Rowley Green racecourse at Newmarket, a £2.5m contract.

It has demolished a Jockey Club stand to make way for the new structure. This will house general viewing areas, private luncheon boxes and a Royal Box.

Standard Chartered has offered an uninterrupted service in China ever since we opened our first office in 1853.

So that today, our six offices stand for two things.

A depth of experience in China of the greatest

value to businesses seeking to seize the burgeoning opportunities for trade.

And a very special approach to the management of an international bank.

In China as in many other major economies,

Standard Chartered has become an important and well-established local bank, in which senior managers have developed close relationships with local government, financial institutions and businesses.

And at the same time, part of a fully-integrated network of more than 2,000 branches in over 60 countries, sharing common procedures and information systems.

It is a delicate balance, but, clearly, an achievable one.

Contact your nearest branch for more information.

You'll find an ever-open door.

**STRENGTH IN
DEPTH ACROSS
THE WORLD.**

Standard Chartered

STANDARD CHARTERED BANK, HEAD OFFICE: 38 BISHOPSGATE, LONDON EC2N 4DE

APPOINTMENTS

Courtaulds forms chemicals division

Following the decision of Courtaulds Fibres to separate its chemicals and plastics operations, a new division COURTAULDS CHEMICALS has been formed and will consist of four business groups with a management structure as follows: chief executive, Mr Ian Kerburgh; finance and administration director, Mr Tony Howard; director, water soluble polymers group, Mr David Poynter; director, Leak Chemicals group, Mr David Rundale; director, specialty chemicals group, Mr David Brown; and director, sulphur chemicals group, Mr David Miller. Mr David Glaister will be non-executive chairman.

* PROPERTIES

GROUP has appointed Mr David Scott as a non-executive director. Mr Andrew Hawkes as director, branch operations. He was general manager (Scotland). Promoted to regional director (north) is Mr Ian Carpenter, who was general manager (north).

The ROYAL BANK OF SCOTLAND has appointed Mr David Scott as assistant general manager (international). He was a senior manager in the international division.

Mr Christopher Wiscarce has been appointed sales development director of SAWYER & CROPSER SALES. He also joins the board of Save and Prosper Financial Services. He was a member of the senior management team of Southern Life Association, South Africa.

* Mr Jean-Pierre Galy has been named executive vice-president and head of the international

department of FIDELITY BANK, Philadelphia. He is based at Fidelity's London branch in Bishopsgate.

The HANSON GROUP has appointed Mr Philip Brand as European chief executive. Prior to joining Hanson he held directorships in Glen Electric, Morphy Richards and Dimplex Appliances, all members of the Glen Dimplex Group.

Mr Geoff Rhodes Harris has been appointed to the board of PINNACLE INSURANCE COMPANY as a non-executive director. He was until his recent retirement a chief executive of Commercial Union Assurance Company. Pinnacle Insurance is a wholly-owned subsidiary of Moorgate Mercantile Holdings.

PICKFORDS REMOVALS has appointed Mr Andrew Hawkes as director, branch operations. He was general manager (Scotland). Promoted to regional director (north) is Mr Ian Carpenter, who was general manager (north).

Mr Christopher Wiscarce has been appointed sales development director of SAWYER & CROPSER SALES. He also joins the board of Save and Prosper Financial Services. He was a member of the senior management team of Southern Life Association, South Africa.

* Mr R. Carter, Mr. W. M. Samuel, Mr. C. Williams and

worth will take over his executive responsibilities at CLARK WHITEHILL. Mr D. Mark Ladd continues as managing partner. Mr Barry J. Hughes has been elected as partner with the Reading office. Mr Edward Nesbitt has been appointed director of Clark Whitehill Consultants.

* Mr M. B. M. Porter has joined JARDINE GLANVILL as a director of the non-marine division. He was previously a director of Jardine Insurance Brokers in Hong Kong. Mr D. Adecock becomes a director of the aviation division and Mr A. Archibald and Mr J. P. Trevor are made directors of the marine division. Mr D. Langman and Miss P. J. McNaughton are appointed associate directors of Glanvill Enthoven North America.

Mr Mark McNamee has joined ALLIANZ CAPITAL MANAGEMENT INTERNATIONAL as a vice-president — portfolio manager. He joins from the First National Bank of Chicago.

* Mr Christopher Laidlaw has appointed Mr A. S. Bailey as a director.

Mr Laidlaw, Mr. G. Rice and Mr Alexander S. Reid have been appointed to the board of DRAFTON — CONSOLIDATED TRUST, a company managed by MIL.

NATIONAL TELEPHONE SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

SYSTEMS has appointed Mr John Lloyd Williams as marketing director. He joins from STC where he was director of the switching products business centre.

* NATIONAL TELEPHONE

KITCAT & AITKEN
& CO.
**STOCKBROKER
INSTITUTIONAL SALES
MINING**

We are looking for an experienced sales person to market the product of one of the City's top-rated international Mining Analysts. The successful candidate will be responsible for the sales effort in this area, and will be expected to play a key role in the development of the firm's mining effort, and consequently will already have been involved in the sector for at least three years. Candidates should have a good degree, and will ideally be aged between 25 and 35. An outstanding salary and benefits package is available for this important position.

Please contact
Michael Oliver—Equity Sales
KITCAT & AITKEN & CO.
A Member of the Royal Bank of Canada Group
17th Floor, The Stock Exchange, London EC2N 3BS
Tel: 01-588 6200

**SWISS VOLKSBANK
SENIOR
CREDIT ANALYST**

We have been retained by the London Branch (licensed Deposit Taker) of this leading Swiss Bank to assist in the recruitment of a highly experienced Credit Analyst. This is a new position. The developing market presence of our Clients now requires the appointment of an Officer to be responsible for the timely submissions of comprehensive credit appraisals to Head Office in support of new business proposals, and to control the day to day activity of existing facilities.

The person appointed will be mature, have strong inter-personal qualities and will act as a support to the Marketing Team, undertaking second line customer contact and liaison. Fluency in German and formal credit training would be preferred but the professional strength of the Candidates would be of paramount importance.

In the first instance candidates should apply to:

BRIAN DURHAM RECRUITMENT SERVICES
25, LIVERPOOL STREET, LONDON, E.C.2.
TEL: (01) 521 1866

TRADED OPTIONS
A leading U.K. stockbroker

wishes to expand its traded options business by the recruitment of experienced personnel. Successful applicants will have unique opportunities to develop an area of business to which the Firm is wholly committed. Exciting levels of remuneration are available.

Write Box A0189, Financial Times,
10, Cannon Street, London EC4P 4BY

DEALERS SALES PERSONNEL

Gerrard & National plc wish to appoint dealers and sales personnel with a minimum of 1 to 2 years experience to join their Money Market, Gilt Edged and International Bond teams which are continuing to expand. Language skills would be useful but not essential.

A competitive remuneration package will be offered to successful candidates.

Applicants should contact the General Manager, Mr. Peter Johnson, either by letter or telephone.

Gerrard & National plc
32 Lombard Street
London EC3V 9BE
Telephone: 01-623 9961

**CITY EXECUTIVE
JOB SEARCH**

Are you earning more than \$25,000 p.a. and wondering how to position yourself to take advantage of the opportunities offered by THE BIG BANG? Connaught's discreet and successful Executive Marketing Programme provides professional excellence in helping you to identify those unadvertised vacancies. Contact our City Division for a free confidential meeting or telephone Richard Coote.

32 Savile Row, London, W1
Connaught 01-734 3879
(24 hours)

The Executive Job Search Professionals

LONDON STOCKBROKERS
**require an
Experienced Investment Adviser**

on South African Government, industrial and mining stocks. The successful candidate is likely to have an up to date and extensive knowledge of the South African stockmarket. He will also be expected to advise South African investors who have offshore investments. For this he will require a knowledge of the offshore markets and related taxation regulations. Preference will be given to candidates aged 34-45 who are fluent in Afrikaans. Membership of the Johannesburg Stock Exchange would be an advantage. Salary commensurate with experience.

Write Box A0204, Financial Times,
10 Cannon Street, London EC4P 4BY

International Appointments

INTERNATIONAL F/X - M/M APPOINTMENTS

**Increased treasury activity
on the Global money markets has created a
number of fresh exciting opportunities**

STOCKHOLM

A minimum of three years experience in local markets is required by this major international bank with responsibility to develop FX corporate business. Fluent Swedish essential — age ideally 25-35.

OSLO

At least three years broad FX and M/M experience including interest arbitrage gained within the Norwegian market is required by this important international bank. Fluent Norwegian is required and candidates are likely to be aged 25-30.

Please contact Roy Webb.

SENIOR CORPORATE TRADER

A minimum of three years experience in local markets is required by this major international bank with responsibility to develop FX corporate business. Fluent Swedish essential — age ideally 25-35.

DEPUTY CHIEF DEALER

At least three years broad FX and M/M experience including interest arbitrage gained within the Norwegian market is required by this important international bank. Fluent Norwegian is required and candidates are likely to be aged 25-30.

Please contact Roy Webb.

BAHRAIN

A major international bank requires a dynamic Foreign Exchange Dealer with at least two years' experience in a major financial centre, covering Forwards, FMs, Arbitrage and Options. A tax-free salary plus free furnished accommodation is offered.

BAHRAIN

Leading Arab International bank seeks a young dealer with minimum three years foreign exchange OR money market trading experience to join expanding team. Tax-free salary plus free furnished accommodation is offered.

Please contact Walter Brown.

PARIS

Foreign bank seeks an experienced Manager to expand trading business with a team of 5 dealers. Candidates should have good all-round ability, plus experience in futures, options and currency swaps.

MONTE CARLO

Experienced Dealer required to set up a trading room comprising 2 or 3 FX/Deposit Dealers plus 1 or 2 Bond Traders, in this subsidiary of a major bank. Salary will be tax-free for foreign nationals.

Please contact Christopher Evans.

FRANKFURT

A well established European bank is looking for a high calibre Chief Dealer to lead the FX team. Due to recent expansion further FX dealers are also required to build up the strength of the department. Fluent German essential.

BRUSSELS

Recent expansion on the market of this well known bank has created the need for the No. 2 Chief Dealer. Another International bank requires additional FX Dealers due to further developments. Excellent prospects for those with a good bank record. A knowledge of French and/or Flemish essential.

Please contact Felix Meyer Horn.

If you are interested in these or other opportunities, please telephone or send your curriculum vitae in confidence to Jonathan Wren International, 177 Bishopsgate, London EC2N 4LX. Tel: 01-623 1266 Telex 6954973 Wrenco. London • Sydney • Hong Kong

**Jonathan Wren
International Ltd**

Banking Consultants

Accountant Costa Del Sol c.£15,000 + Car

A major property development group now wishes to appoint a qualified accountant to be responsible for the financial affairs of its Spanish subsidiary.

Essential requirements are a current legal right to reside and work in Spain, bilingual ability Spanish/English and experience of local accounting practices and statutory regulations.

Family with property development, housing or a related sector would be a distinct advantage as would experience gained in a UK/US group.

Please telephone or write in complete confidence to Mann Management, 160 New Bond Street, London W1Y 0HR. Tel: 01-629 4226.

**MANN
MANAGEMENT**

To be quite honest, you won't succeed as an International Financial Consultant unless you have the right background



High tax-free incomes
are being earned by

British and other
expatriates in many parts of the
world. Most of them seek for
advice on how best to invest and
maximise these assets, and they
naturally prefer to seek it from people
they can trust and respect.

People such as Finexco's
Financial Consultants, their expertise,
aligned to total integrity and professionalism,
has enabled us to grow to
become one of the world leaders in
this fast expanding specialist market
in less than five years.

Such is the demand for our
services that we now need to add to
our elite team of International
Consultants.

We are looking for people
whose background of consistent
professional achievement has won

them respect in the business
community; people with plenty of self-
confidence, imagination, a streak of
independence and a constant desire
for fresh challenge. Probably not less
than 30, your acumen, authority, and
ability to negotiate are more
important than specific experience

in international finance, although this
would of course be a considerable
asset, as would a second language.
Our specialist training is
acknowledged to be one of the best in
the profession.

It will prepare you to go
wherever the market is (and that could
be anywhere in Europe, the
Middle East, Africa or the Far East)
and reap very high rewards com-
mensurate with your success. This is
without doubt an exceptional opportunity
with a true Blue Chip company.

Please write, enclosing a full CV,
to H E Gane, Tel: 01-527 7711, Whites Bull
Holmes Ltd, 63-66 St Martin's Lane,
London WC2N 4JX.

GENERAL MANAGER

required for an international Omani company with highly sophisticated, unique luxury products selling only in the top stores in the world's leading capital cities.

The General Manager must have a proven record of running a profitable international business, of being a shrewd marketer, of ability to identify and develop new products and new market opportunities, of the skills to motivate and lead successfully and of creativity coupled with elegance, impeccable taste, diplomacy, drive, tenacity, enthusiasm and a sense of humour.

The position is based in the Capital City of Muscat but involves extensive travel as it is worldwide. It will also pay exceptionally well. Initial letters explaining how your qualifications match our requirements under confidential cover to The Chairman, P.O. Box 4086, Ruwi, Sultanate of Oman.

Computer Leasing
**SALES REPRESENTATIVES
COUNTRY MANAGERS**

CIS Corporation, an international leader in equipment leasing and re-marketing, seeks highly motivated professionals for country manager and sales representative positions in our expanding European computer leasing group.

The successful candidate will be a skilled problem-solver with experience in leasing, finance or computer hardware sales. We are looking for dynamic individuals who are willing to travel on a regular basis. The ability to speak English is essential. We offer an excellent compensation package for the person who wants a very challenging career opportunity with an industry leader. If you fit this description and are interested, please send a curriculum vitae to:

Michael Verity
CIS Information Systems S.A.
HEADQUARTERS FOR EUROPE
11 rue de la Combe
1280 Nyon, Switzerland

CIS CORPORATION
Headquarters
1000 James Street
Post Office Box 6789
Syracuse, New York 13217 USA
MEMBER CDLA MEMBER ECLAT

**EXECUTIVE COUNTERTRADER
IN SINGAPORE**

The position carries full responsibility for all the financial and trading function challenges included:

- * Structuring counter/barter/commodity trades
- * Developing/controlling/executing structural trades
- * Full knowledge of banking arrangements, lines of credit, documentary credits, etc
- * Awareness of World Funding Agencies and operational environment
- * Able to communicate and negotiate in the world market place
- * Fluent in English and/or one other European language with additional preference for Chinese or 1/2 Asian languages
- * Experienced in trading (min. 10 years) in agricultural, soft commodities in the South East Asian and China markets
- * Between 25 and 45 years of age

Candidate must possess professional approach, energy and imagination. Applicants are requested to write in their bid-data with contact telephone number and a recent photograph. The total remuneration package will be negotiable at a level reflecting the importance of this appointment.

Write Box 0000, Financial Times
10 Cannon Street, London EC4P 4BY

**ASTLEY & PEARCE
(BENELUX) S.A.
LUXEMBOURG**

We are currently looking for a
SPOT BROKER
with 1-2 years experience,
preferably with Commodity
commodities.

Please apply in writing
enclosing CV to:
Astley & Pearce (BeneLux) SA
13 rue Notre Dame,
Luxembourg 20511

**EMPLOYMENT CONDITIONS
ABROAD LTD**

An international association of employers providing confidential information to its member companies relating to employment of expatriates and nationals worldwide.

Anchor House, 15 Britten St, London SW3 2YL
Tel: 01 351 7151

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Issue	Symbol	Last Price	Prev. Close	1985	Suppl.	Closing Price	+ or -	No. Out.	Turns Cov'd	Gross Yield	P.E. Ratio
\$125	F.P.	207	150	136	Stapled Publications Sp	147	—	163,1	26	3.0	18.6
118	F.P.	126	127	119	Starbright Group 10p	120m	—	5,4	28	4.3	7.9
150	F.P.	304	312	320	Alemanic Group	148	-5	85,85	25	5.6	10.2
115	F.P.	117	118	115	Autoglass Soc. 10p	125	-5	61,7	14	1.4	24.0
150	F.P.	206	161	148	Barker (Charles) 20p	150	—	153,0	31	2.8	16.3
\$165	F.P.	150	138	136	Bavco Sp.	147	—	65,0	24	4.8	11.7
118	F.P.	—	55	45	Bertzman Inv. Tz	43	—	—	—	—	—
157	F.P.	207	145	136	Biffi Sp.	120	—	101,225	31	4.1	10.4
167	F.P.	47	47	130	Bick Sp.	147	—	83,4	31	3.3	12.0
125	F.P.	205	193	128	Biddeford Ind. Inc	143	+2	104,25	14	1.0	20.0
145	F.P.	257	175	148	Bidro Progs	148	-2	144,25	23	4.0	12.6
205	F.P.	206	151	54	Birk. Int. Airways 10p	59	+1	122,0	21	6.7	12.5
165	F.P.	—	55	54	Birrell Tech 10p	64	—	122,0	24	4.4	13.1
\$110	F.P.	197	115	76	Bi-Chek Int'l. & Associates Sp	98	-2	191,9	19	5.6	12.5
125	F.P.	76	75	131	BioChem Man Sp	192	-1	122,0	28	2.4	21.7
118	F.P.	307	106	65	Biggs (Harcour) —	106	+3	14,75	15	6.3	12.5
165	F.P.	—	52	51	Coated Electronics Sp	94	—	13,9	16	6.5	13.1
150	F.P.	116	45	50	Decon & Bowes Sp	45	+1	12,25	54	5.4	17.5
150	F.P.	47	45	45	Denitrus Corp	64	—	11,45	21	5.6	14.4
140	F.P.	47	130	123	DeField (Mrs.) Inc 10.05	125	-2	104,45	25	5.5	15.8
165	F.P.	56	52	52	DeFord & Weston Sp	56	-2	103,02	28	4.9	13.5
150	F.P.	257	125	150	Deltacore Corp	122	—	103,3	22	4.9	9.7
140	F.P.	206	150	140	Dengen (Lida) 10p	140	—	103,0	32	2.7	14.5
165	F.P.	247	120	120	Dodge Ridge Sp	110	+4	121,15	23	2.0	12.1
150	NF	—	52	225	Joint (H.L.) Ltd Units	240	—	—	—	—	—
145	F.P.	147	120	123	Laper Sp	113	-2	84,0	23	5.0	12.1
157	F.P.	264	145	145	Leviton Corp 10p	128	—	84,4	16	3.9	15.7
\$100	F.P.	276	121	103	Morgan Crested 52	146	+5	105,5	25	3.5	15.9
145	F.P.	18	184	171	MSI Systems Corp 10p	174	-1	65,0	21	4.7	16.3
—	F.P.	—	56	56	Newman Works	53	—	—	—	—	—
165	F.P.	307	42	35	Nontronics Sp	40	-2	61,2	28	4.2	11.9
165	F.P.	257	126	104	Space Planning 10p	46	—	11,75	34	2.6	16.0
115	F.P.	56	56	126	747 Force Sp	124	—	11,75	38	2.2	16.9
165	F.P.	18	242	219	Telco Sp	122	-1	94,0	26	4.5	9.7
150	F.P.	—	52	52	Thames TV	220	+5	49,5	19	6.3	12.3
150	F.P.	—	52	52	Tibbet & Brink Sp	125	+11	103,5	26	4.3	12.6
112,70	NF	—	52	210	Wight Collins RS #8	210	-40	—	—	—	—

FIXED INTEREST STOCKS

Issue Price £	Amount Paid Up	Latest Recover- y Date	1985		Stock	Closing Price £	+ or - £
			High	Low			
II	F.P.	—	56	111	104	Ausri 9% Cum. Cov. Red. Prf.	+104
591.947	525	12/9	274	23%	Bakers Inv. Tsl. 10% Div. Due 2016	+254	
591.947	525	20/9	94	8	Bristol Water 8.5% Reg. Div. Due '96	+52	
591.250	525	29/8	304	274	Brit. Alcan Alumina 10.5% Div. Due 2011	+252	
594.210	525	30/10	254	23%	Briston Est. 9.3% 1st Marv Due 2025	+25	
II	F.P.	—	1070	1055	Broadcast: Mortgages Tsl. 8.625% Cum. Prf.	+107	
100.899	525	29/8	40	374	Estates & Gen. 11.1% 1st Div. Due 2018	+30	
594.45	525	30/10	325	29%	Europcar Inv. Sust. 7% Div. Due 2007	+30	
II	F.P.	—	105	105	F-Ferguson 12% Cov. Uns Lts 1992-97	+105	
591.114	525	4/10	1072	105	Friendly Hotels 5% Cum. Cov. Red. Prf.	+105	
599.054	525	12/9	274	264	Globe Inv. 10% Div. Due 2016	+244	
57.943	525	24/10	415	395	Govt. Stamps Inv. Tsl. 10% Div. Due 2016	+425	
105.523	525	24/10	254	195	GL Portfolios 9% Inv. Inv. Mort. Div. Due 2016	+21	
II	F.P.	—	218	205	Land Securities 10% Inv. Mort. Div. Due 25	+21	
591.951	525	14/7	62	36	Leigh Inv. 6% Cov. Cov. Red. Prf.	+36	
591.793	525	24/9	265	212	Linc. Pres. Share 16% 1st. Mort. Div. Due 2025	+212	
II	F.P.	—	112	99	Linc. Shop Prop. 10% 1st. Mort. Div. Due 2025	+99	
II	F.P.	—	125	105	Magnat Credit 11.1% Cum. Prf.	+105	
597.50	F.P.	—	100	99.5	National Grid 9% 15% Div. Due 2017	+99.5	
597.179	525	11/7	575	55	Do 9% 15% Div. Due 2017	+55	
599.088	525	24/9	31	28	Perkins Cycles Tsl. 9.33% Div. Due 1992	+28	
52.512	F.P.	5/8	44	38	Portugal 9% Inv. Inv. Mort. Div. Due 2016	+38	
52.005	525	10/10	102	95	Quercus Asset 10% 1st. Mort. Div. Due 2020	+95	
591.490	525	12/9	312	294	Sant. Mort. 12% Serv. Div. Due 2025	+294	
599.350	525	12/9	94	8	Santander Corp. 12% Cov. Cov. Red. Prf.	+8	
54.005	F.P.	—	150	474	S.E. 12% Div. Mort. Div. Due 2016	+474	
599.483	525	12/9	312	294	Sant. & S. Shields Mort. 9.8% Inv. Div. '96	+294	
II	F.P.	—	125	1129	Tesco-4% Div. Due Div. Due 2006	+125	
59.073	525	—	98	22	Tottenham (F.H.J.) 5.5% Cum. Cov. Red. Prf.	+22	
II	F.P.	—	105	105	Toys Est. 10% 1st. Mort. Div. Due 2011/16	+105	
					Whitbread Holdings 5% Cum. Cov. Red. Prf.	+105	

"RIGHTS" OFFERS

Issue Price	Amount Paid Up	Latest Report- Date	1965		Stock	Closing Price P	+ or -
			High	Low			
40	N.H.	46	11pm	3pm	Anglo African Fin. 75cp	3pm	
470	N.H.	46	200pm	100pm	Antiochiana Hldgs. 61	100pm	
55	N.H.	—	1pm	1pm	Bartons Inv. Tr.	1pm	
250	N.H.	129	25pm	22pm	Banca Macriani Politit 121-p	+5	
465	N.H.	296	100pm	80pm	Catolin Group	80pm	-8
880	N.H.	16	150pm	135pm	De la Rose	140pm	
130	N.H.	146	8pm	8pm	Eaglestone	9pm	
47	F.P.	156	65	55	Five Oaks Inv.	65	
148	N.H.	205	34pm	24pm	Hestech Industries	24pm	-2
25	N.H.	150	65	65	Int. Sigma D & Control 10c	67	+7
214	N.H.	95	14pm	10pm	International Dance Studios 35p	10pm	-2
265	N.H.	210	500pm	500pm	Printers Supplies 61	500pm	
	F.P.	66	336	326	Scottish TV 10p	330	
		126	3pm	3pm	Southern Co. 10p		

Resumption date normally last day for dealing free of stamp duty. a Attenuated dividend. b Figures based on prospectus estimates. c Attenuated dividend and yield. d Attenuated dividend and yield after strip issue. e Forecast dividend cover on earnings updated by latest interim statement. H Dividend and Yield based on prospectus or other official estimates for 1987. l Estimated attenuated dividend, cover and p/e ratio based on latest annual earnings. R Forecast attenuated dividend, cover and p/e ratio based on prospectus or other official estimates. j Attenuated dividend, cover, relate-to previous dividend; p/e ratio based on latest annual earnings. k Forecast, or estimated, attenuated dividend, cover based on previous 3 years' earnings, based on tender. l Offered, held, m Ordinary shares, n "Other", o Information, "a" based on way

Can Europe catch up?

A bound reprint of a series of articles "Can Europe catch up?" and "Towards a Free Trade Community"—previously published in the Financial Times during 1985—is now available price £4.95 including postage and packing.

Can Europe catch up?

A bound reprint of a series of articles "Can Europe catch up?" and "Towards a Free Trade Community"—previously published in the Financial Times during 1965. In now available price £4.95 including postage and packing.

ET CROSSWORD PUZZLE No. 6,069

**D F
GRIFFIN**

A black and white crossword puzzle grid. The grid consists of a 15x15 pattern of squares, some of which are shaded black. Numbered squares are placed at various intersections, indicating the starting point and length of words. The numbers range from 1 to 29. The grid is partially filled with letters, forming several words. Some squares are blank, representing empty spaces in the words.

ACROSS

- 1 Had a nice design for a ranch (8)
- 5 Places old Bob walks to (6)
- 9 Doctor is in the wrong if he's driving (8)
- 6 Films can be nice, to a degree (6)
- 2 The red head and I look round the nest (5)
- 3 Back I came with a man that's abnormally thin (9)
- 4 Lie around, angry about being posted in the U.S.A. (6)
- 6 Mistake the salesman returning with the footwear (7)
- 3 Having an interior chimney, studies the files (7)
- 1 Out West, a man gets drunk! (6)
- 3 Groom dead awkward about being spoken to (9)
- 5 Building part after midnight, having enough strength (5)
- 6 Bet I'd turn into a learned man. (6)
- 7 Stopped and spoke to Price about him a month back (8)
- 8 Years after, mother gets hurt (6)

- 6 In mine I've put a border that's crude (9)
- 7 Fleece of an animal the man's taken in (5)
- 8 Ideal colours (8)
- 11 One in blue, standing by the platform (4)
- 15 Heather Brown is in the timber business (9)
- 17 The elder pair steer round by going inside it (9)
- 18 Got together about parking being done away with (8)
- 20 The frame of the music centre remains (4)
- 21 Cider's a change from a cocktail (7)
- 22 Push a learned cleric in Peel, perhaps (6)
- 24 The material is coming up; make sure the key's inside (5)
- 25 End of trading deficit on paint (5)

Solution to Puzzle No. 8,068

ANGULAR	DRACULA
T R E	O V U L A
THETA	S E M I T O G E D
A E S	F C E A R

(6)	M E S S E G E R I A
9 Jam book behind piano (3)	C O N S T A B L E R I N S E
	H W O N S
	E X I T S M I S E A C R E S
	G I L A T U
1 The new map is in the girl's basket (6)	R E N E A R S A L E M R O L
2 Shriek when distraught at a cruel warhead being instal- led (9)	E G T I A
3 Weird way to back Ireland (5)	F L A S H S E P A R A T E S
4 "Sid's back, nurse!" "That's	U D O T E U A H
	S T I V A L A N T C O N G O
	A E N I R H I V

AUTHORISED UNIT TRUSTS

	Bal. Fwd.	Other Payer
Albey Unit Trst. Mngrs. (a)		
10 Holdsworth Rd., Borehamwood		
Sph Income		
- & Fiduciary Inc.	\$116.2	\$25,041
Sph Inst. Eq. Equity	\$655	\$11,501
Sph Income Bond	\$101.6	193.1
Sph Income Capped		
- Income Growth	\$15.7	\$1,131
- Income Pfdfr	\$6.1	\$7.5
- Income & Event Trst.	\$62.3	\$79.5
- Capital Recovery	\$4.1	\$4.5
- Community & Envry	\$5.1	\$0.2
- Income & Dividend Capital	\$1.7	\$0.1
- Bond Fund	\$17.8	\$0.1
- Bond Fund	\$5.8	\$0.7
- Mastertrust	\$3.1	\$0.1
- UK Growth Acc. Units	\$41.2	\$15.2
- UK Growth Opt	\$6.4	\$0.8
- S. Emerging Ctry	\$0.2	\$0.2
- Other Inv. Prods	\$0.5	\$0.2
Albey Business Unit Trusts PLC		
Albey Doctor Centre, Swindon	\$10,793.1	
- Albey Income Trust		
- Albey Inv. Fund	\$256.4	\$211.4
- Albey Bond Fund	\$61.7	\$44.4
- Standard Trust	\$50.8	\$62.1
- Income Trust	\$55.1	\$56.4
- Albey Income Inv. Trst	\$11.9	\$4.1
- Albey Income Trust	\$20.5	\$26.9
- Albey Income Envry Trst	\$13.8	\$17.2
- Albey Yield Trust	\$43.7	\$33.6
- Albey Sec Trst	\$60.3	\$31.4
- Albey International Bonds		
- International Trst	\$9.3	\$1.4
- Bond Fund	\$104.3	\$111.3
- Pacific Trst	\$156.6	\$144,828
- Asia Trst	\$5.8	\$9.2
- International Trst	\$102.2	\$27,114
- Specialist Bonds		
- Specialist Value Trst	\$100.1	\$100.1

INSURANCE, OVERSEAS & MONEY FUNDS

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar little changed

Lack of new factors left the dollar little changed on the foreign exchanges yesterday. Options were limited as the US discount rate fell a tiny bit. The regular Federal Open Market Committee meeting finished yesterday, amid suggestions the weakness of the dollar would prevent a further reduction in US interest rates. But some dealers continued to believe the sluggish growth in the US economy would prompt a cut in the discount rate as early as tomorrow. The dollar, driven lower for most of the morning, but recovered just before the Frankfurt fixing, when Mr Hans Tietmeyer, Secretary of State at the West German Finance Ministry, said a further reduction in the value of the dollar would be inappropriate. He added that a joint signal from central banks was possible, if the dollar fell too far.

At the London close the dollar had risen to DM 2.1750 from DM 2.1652, SFr 1.7650 from FFr 1.6250; SFr 1.7655, and SFr 1.7740; and was unchanged at Yen 105.85, after touching a low of Yen 105.30. Bank of England figures on the dollar's index rose to 113.8, from 113.5.

STERLING — Trading range against the dollar in 1986 is 1.5250-1.5700. Just below 1.5000, exchange rate index fell 0.4 to 75.5, after opening at 75.6. Six months ago the index was 78.2.

POUND SPOT—FORWARD AGAINST POUND

July 9	Day's spread	Close	One month	%.	Three months	%.	One year	%.
US	1.6215-1.6370	1.6255-1.6265	0.45-0.62 p.m.	3.42	1.30-1.27 p.m.	3.37		
Canada	2.1652-2.1705	2.1655-2.1665	0.20-0.23 p.m.	1.57	0.85-0.72 p.m.	1.48		
Netherlands	1.61-1.62	1.61-1.62	0.00-0.00 p.m.	1.50	0.75-0.72 p.m.	1.45		
Belgium	1.61-1.62	1.61-1.62	0.00-0.00 p.m.	1.50	0.75-0.72 p.m.	1.45		
Denmark	12.36-12.44	12.41-12.42	2-1/2 hrs p.m.	1.57	4-1/2-5 p.m.	1.50		
Ireland	1.1040-1.1170	1.1050-1.1060	0.10-0.15 p.m.	0.92	0.50-0.48 p.m.	0.72		
Portugal	22.02-22.25	22.05-22.20	2-1/2 hrs p.m.	1.50	4-1/2-5 p.m.	1.45		
Spain	21.11-21.25	21.11-21.25	2-1/2 hrs p.m.	1.50	4-1/2-5 p.m.	1.45		
Italy	22.77-22.85	22.77-22.85	4-1/2 hrs p.m.	1.50	4-1/2-5 p.m.	1.45		
Malta	1.62-1.63	1.62-1.63	0.00-0.00 p.m.	1.50	0.75-0.72 p.m.	1.45		
France	10.6250-10.65	10.67-10.67	2-1/2 hrs p.m.	2.05	0.50-0.48 p.m.	1.90		
Sweden	10.60-10.70	10.64-10.65	2-1/2 hrs p.m.	1.50	0.75-0.72 p.m.	1.45		
Japan	24.20-24.25	24.20-24.25	2-1/2 hrs p.m.	1.50	4-1/2-5 p.m.	1.45		
Austria	1.70-1.70	1.70-1.70	0.00-0.00 p.m.	1.50	0.75-0.72 p.m.	1.45		
Switz.	2.70-2.73	2.72-2.73	1-1/2 hrs p.m.	1.50	0.50-0.48 p.m.	1.45		

Balzac rate is for convertible francs. Financial franc 2.35-2.36 p.m., 12-month 4.35-4.25 p.m. Six-month forward dollar 2.35-2.36 p.m., 12-month 4.35-4.25 p.m.

DOLLAR SPOT—FORWARD AGAINST DOLLAR

July 9	Day's spread	Close	One month	%.	Three months	%.	One year	%.
UK	1.6215-1.6370	1.6255-1.6265	0.45-0.62 p.m.	3.42	1.30-1.27 p.m.	3.37		
Ireland	1.2785-1.2915	1.2785-1.2915	0.00-0.00 p.m.	1.50	0.75-0.72 p.m.	1.45		
Canada	2.1652-2.1705	2.1655-2.1665	0.20-0.23 p.m.	1.57	0.85-0.72 p.m.	1.48		
Netherlands	1.61-1.62	1.61-1.62	0.00-0.00 p.m.	1.50	0.75-0.72 p.m.	1.45		
Belgium	1.61-1.62	1.61-1.62	0.00-0.00 p.m.	1.50	0.75-0.72 p.m.	1.45		
Denmark	12.36-12.44	12.41-12.42	2-1/2 hrs p.m.	1.57	4-1/2-5 p.m.	1.50		
Ireland	1.1040-1.1170	1.1050-1.1060	0.10-0.15 p.m.	0.92	0.50-0.48 p.m.	0.72		
Portugal	22.02-22.25	22.05-22.20	2-1/2 hrs p.m.	1.50	4-1/2-5 p.m.	1.45		
Spain	21.11-21.25	21.11-21.25	2-1/2 hrs p.m.	1.50	4-1/2-5 p.m.	1.45		
Italy	22.77-22.85	22.77-22.85	4-1/2 hrs p.m.	1.50	4-1/2-5 p.m.	1.45		
Malta	1.62-1.63	1.62-1.63	0.00-0.00 p.m.	1.50	0.75-0.72 p.m.	1.45		
France	10.6250-10.65	10.67-10.67	2-1/2 hrs p.m.	2.05	0.50-0.48 p.m.	1.90		
Sweden	10.60-10.70	10.64-10.65	2-1/2 hrs p.m.	1.50	0.75-0.72 p.m.	1.45		
Japan	24.20-24.25	24.20-24.25	2-1/2 hrs p.m.	1.50	4-1/2-5 p.m.	1.45		
Austria	1.70-1.70	1.70-1.70	0.00-0.00 p.m.	1.50	0.75-0.72 p.m.	1.45		
Switz.	2.70-2.73	2.72-2.73	1-1/2 hrs p.m.	1.50	0.50-0.48 p.m.	1.45		

EXCHANGE CROSS RATES

July 9	\$	£	DM	Yen	Fr.	Ft.	Fl.	Lira	CFP	BF.
1	1.6255	1.6255	2.1655	10.625	0.7875	7.073	2.987	2.107	59.45	
2	0.6255	1.6255	2.1655	10.625	0.7875	7.073	2.987	2.107	59.45	
DM	1.6255	0.4625	2.1655	10.625	0.7875	7.073	2.987	2.107	59.45	
Yen	0.1075	0.6255	1.6255	10.625	0.7875	7.073	2.987	2.107	59.45	
Fr.	0.0075	0.6255	1.6255	10.625	0.7875	7.073	2.987	2.107	59.45	
Ft.	0.0075	0.6255	1.6255	10.625	0.7875	7.073	2.987	2.107	59.45	
Fl.	0.0075	0.6255	1.6255	10.625	0.7875	7.073	2.987	2.107	59.45	
Lira	0.0075	0.6255	1.6255	10.625	0.7875	7.073	2.987	2.107	59.45	
CFP	0.0075	0.6255	1.6255	10.625	0.7875	7.073	2.987	2.107	59.45	
BF.	0.0075	0.6255	1.6255	10.625	0.7875	7.073	2.987	2.107	59.45	

Long-term Eurodolars: Two years 7% per cent; three years 8% per cent nominal. Short-term rates are set by US Dollar and Yen; others, two days' notice.

EQUITY MARKETS

UK rates slightly firmer

Interest rates were slightly higher where changed in the London money market yesterday. There was growing pessimism about the prospects of a cut in base rates in the near term. Some traders suggested a period of consolidation before Big Bang in the autumn, with a possible cut in US rates not necessarily meaning an immediate cut in UK base rates. Three-month interbank money was quoted at 10-10½ per cent, up from 9½-10½ per cent. Overnight money opened at 10-10½ per cent and ended higher, up to 10-10½ per cent, before coming back to 10-10½ per cent. A low of 4 per cent was touched in the afternoon with closing balances taken around 5 per cent.

The Bank of England forecast a shortage of around £500m on factors affecting the market including maturing bills and a fall in the note circulation. In addition banks brought forward balances £120m below target. These were partly offset by Exchequer transactions which added £220m. To help alleviate the shortage the Bank offered an early round of

long-term Eurodolars: Two years 7% per cent; three years 8% per cent nominal. Short-term rates are set by US Dollars and Japanese Yen; others, two days' notice.

MONEY MARKETS

UK rates slightly firmer

Interest rates were slightly higher where changed in the London money market yesterday. There was growing pessimism about the prospects of a cut in base rates in the near term. Some traders suggested a period of consolidation before Big Bang in the autumn, with a possible cut in US rates not necessarily meaning an immediate cut in UK base rates. Three-month interbank money was quoted at 10-10½ per cent, up from 9½-10½ per cent. Overnight money opened at 10-10½ per cent and ended higher, up to 10-10½ per cent, before coming back to 10-10½ per cent. A low of 4 per cent was touched in the afternoon with closing balances taken around 5 per cent.

The Bank of England forecast a shortage of around £500m on factors affecting the market including maturing bills and a fall in the note circulation. In addition banks brought forward balances £120m below target. These were partly offset by Exchequer transactions which added £220m. To help alleviate the shortage the Bank offered an early round of

long-term Eurodolars: Two years 7% per cent; three years 8% per cent nominal. Short-term rates are set by US Dollars and Japanese Yen; others, two days' notice.

MONEY RATES

(London)

Broker funds rate 7%; Fed funds rate 6%; LIBOR 10-day 10%; 1 month 10-10½%; 3 months 10-10½%; 6 months 10-10½%; 1 year 10-10½%; 2 years 10-10½%; 3 years 10-10½%; 4 years 10-10½%; 5 years 10-10½%; 7 years 10-10½%; 10 years 10-10½%; 12 years 10-10½%; 15 years 10-10½%; 20 years 10-10½%; 25 years 10-10½%; 30 years 10-10½%; 40 years 10-10½%; 50 years 10-10½%; 60 years 10-10½%; 70 years 10-10½%; 80 years 10-10½%; 90 years 10-10½%; 100 years 10-10½%; 120 years 10-10½%; 150 years 10-10½%; 200 years 10-10½%; 250 years 10-10½%; 300 years 10-10½%; 400 years 10-10½%; 500 years 10-10½%; 600 years 10-10½%; 700 years 10-10½%; 800 years 10-10½%; 900 years 10-10½%; 1000 years 10-10½%; 1200 years 10-10½%; 1500 years 10-10½%; 2000 years 10-10½%; 2500 years 10-10½%; 3000 years 10-10½%; 4000 years 10-10½%; 5000 years 10-10½%; 6000 years 10-10½%; 7000 years 10-10½%; 8000 years 10-10½%; 9000 years 10-10½%; 10000 years 10-10½%; 12000 years 10-10½%; 15000 years 10-10½%; 20000 years 10-10½%; 25000 years 10-10½%; 30000 years 10-10½%; 40000 years 10-10½%; 50000 years 10-10½%; 60000 years 10-10½%; 70000 years 10-10½%; 80000 years 10-10½%; 90000 years 10-10½%; 100000 years 10-10½%; 120000 years 10-10½%; 150000 years 10-10½%; 200000 years 10-10½%; 250000 years 10-10½%; 300000 years 10-10½%; 400000 years 10-10½%; 500000 years 10-10½%; 600000 years 10-10½%; 700000 years 10-10½%; 800000 years 10-10½%; 900000 years 10-10½%; 1000000 years 10-10½%; 1200000 years 10-10½%; 1500000 years 10-10½%; 2000000 years 10-10½%; 2500000 years 10-10½%; 3000000 years 10-10½%; 4000000 years 10-10½%; 5000000 years 10-10½%; 6000000 years 10-10½%; 7000000 years 10-10½%; 8000000 years 10-10½%; 9000000 years 10-10½%; 10000000 years 10-10½%; 12000000 years 10-10½%; 15000000 years 10-10½%; 20000000 years 10-10½%; 25000000 years 10-10½%; 30000000 years 10-10½%; 40000000 years 10-10½%; 50000000 years 10-10½%; 60000000 years 10-10½%; 70000000 years 10-10½%; 80000000 years 10-10½%; 90000000 years 10-10½%; 100000

LONDON STOCK EXCHANGE

Account Dealing Dates
Option
*First Declara- Last Account
Dealing Long Dealings Day
June 30 July 10 July 11 July 21
July 14 July 24 July 25 Aug 4
July 28 Aug 7 Aug 8 Aug 18
* "New-time" dealings may take
place from 9.30 am two business days
earlier.

Calmer conditions returned to London markets after Tuesday's nervous session, which saw the largest points falls ever in the two main FTSE equities indices. Leading shares rebounded strongly, despite substantial sales via the liquidation of an investment trust portfolio, while Government securities recovered from early low points to close with little change on balance.

Wall Street's persisting weakness impacted early caution but blue chip and other top-quality stocks soon began to edge forward. The market rally carried professional operators and before long many decided to close short trading positions opened less than 24 hours earlier. Throughout the morning the market built up its confidence and evidence of improved rates to substantiate the firm underlying trend. The UK assets of Continental and Industrial Investment Trust, worth between £50m or £90m, were sold, the business being effected by either put-through or straight trading deals.

A resumption of the US market's weak tone early yesterday failed to reverse the former London trend. Many leading industrial stocks settled at the day's highest and the best performers other than Wall Street, had reacted sharply earlier in the week. British Telecom, recently beset by re-nationalisation fears, were an especial late feature and regained 8 to 10p, while the FTSE 100 share index recovered 16.6 to 1614.4 while the FT Ordinany share index picked up 13.8 to 1331.5.

A more detailed assessment of the June money stock figures and of the Government's under-funding last month caused the gilt-edged market to open lower. Although a number of blue chips disappeared with the latest rise in sterling M3, investors were not dismayed. Light demand encouraged a mild revival and the movement gathered momentum as a squeeze developed on professional short positions.

The longs were 5 down initially but by the end of the after-hours business had reverted to the overnight levels. Shorter maturities presented a similar trading pattern. Index-linked issues lost their appetites in trading, closed with falls ranging to 5.

Merchant banks steadier

Merchant banks gave a steadier performance as the market reception given to the Morgan Grenfell market debut and fears of dwindling corporate takeover activity abated. Morgan Grenfell rallied 5 to 466—still a discount of 34 to the striking price of 500p. Mercury International rose a sharp 10p to 725p and Brown Shippy improved 5 to 510p. Among the clearers, Lloyds moved up to 397p pending the

Equities ignore Wall St. weakness and stage good recovery

	FINANCIAL TIMES STOCK INDICES									
	1986					Year ago	High	Low	High	Low
	July 9	July 8	July 7	July 4	July 3					
Government Secs	90.66	90.80	91.56	91.66	91.24	92.65	94.53	89.39	127.1	49.28
Fixed Interest	97.16	97.01	97.68	97.44	97.00	97.48	97.48	96.55	150.4	50.35
Ordinary	1331.5	1337.7	1347.0	1356.5	1362.7	1321.1	1425.9	1394.3	1421.9	49.4
Gold Mines	202.4	197.3	196.6	196.3	196.4	196.3	207.0	194.3	204.0	104.40
Ord. Dir. Yield	4.15	4.16	4.06	4.06	4.06	5.01	5.70	4.78	12.12	1.12
Earnings Yield (%)	9.95	10.03	9.90	9.94	9.67	12.49	12.49	12.49	12.49	1.12
P/E Ratio (estd) (*)	12.24	12.14	12.03	12.51	12.29	9.78	12.56	12.56	12.56	1.12
Total Returns (%)	32.55	32.58	25.21	25.20	25.20	19.17	32.75	29.00	32.75	1.12
Equity Turnover (%)	50.53	50.47	49.92	50.53	50.20	47.77	52.01	51.07	52.01	1.12
Shares Traded (mln)	29.99	29.47	25.64	24.01	15.39	15.39	14.84	14.84	14.84	1.12
Opening	10 am	10.00	10.00	10.00	10.00					
	11 a.m.	12.22	12.22	12.22	12.22					
Day's High	1331.7	1332.6	1334.5	1324.5	1324.5					
Day's Low	1318.6	1318.6	1318.6	1318.6	1318.6					
Sect 100 Govt. Scts 15102.62, Fwd. Inv. 1522.02, Ordinary 17/7/85, Gold Mines 12925.5, SE Activity 1974 100-31.82										

LONDON REPORT AND LATEST SHARE INDEX: TEL. 01-546 8226

London. Bullion touched \$350 in the US and improved further to \$351 in London before slipping back to end the day a net 50 cents higher at \$347.75, its best closing level since mid-June.

Gold shares were marked higher at the outset reflecting good buying in New York overnight and continued to move ahead during the morning when renewed demand from Johannesburg triggered widespread short covering by a number of European operators. However, minor profit-taking and the downward in gold affected sentiment late in the session, below the day's best levels. The Gold Mines index showed a 5.1 gain at 202.4, its third successive rise.

De Beers highlighted South African Financials and advanced 10 to 430p on news that all the company's mines have resumed normal working after the out-break of strikes that occurred last week. Anglo American Corporation rose a like amount to 700, as did General 725p.

Consolidated Gold Fields followed the gold gains in London and touched \$200 prior to closing net 7 up to 440p. RITZ hardened a few pence to 165p. Hampton Areas held at 165p. Metals Exploration announced that acceptances of its 150p a share cash offer had passed 90 per cent and that the offer had become fully unconditional and will remain open until further notice.

Among Australian mines share prices maintained their overnight improvements and registered good gains helped by the firm trend in the recently weak Australian dollar. CRAI moved up 8 to 240p. Western Mining rallied 5 to 245p. Fife-Walkers closed up a like amount to 210p. Golds were highlighted by Central Norseman, 15 to the good at 310p, Sons of Gwalia, 12 up to 165p and North Kalgoorlie, 3 firmer at 30p.

Elsewhere in Australia's Key West Investments advanced 8 to 285p following the proposed merger with Klatoly to form a new group to be called Clayton.

Traded Options

Tuesday's lively and evenly-handsome Traded Option business proved to be short-lived and proceedings returned to more mundane levels yesterday. Total contracts struck amounted to 15,726, 10,023 calls and 5,703 puts. British Telecom again held centre-stage, recording 1,042 calls; the August 150's rose 4 to 24p, while the August 200's closed 5 up at 180p.

In Financials, "call" option activity prompted support of Brinsford Investments, 15 higher at 170p. NMC Investments rallied 5 to 117p amid revived hopes of a sizeable asset injection.

Oils better

Leading oilseeds took a modest rally of 5 to 325p in Denizen Printing, but Scantech eased 3 to 279p on the proposed 27.75m rights issue. STC, helped by the management buy-out of its Wound Component unit, hardened a couple of pence to 220p, while Hillsdown slipped 4 to 277p.

Hoteis and Caterers displayed a bright feature in Ladbrooke which rose 11 to 362p largely reflecting the effects of single-share issues. The firm's Metalmax down 16 to 245p, but Tate and Lyle shed 6 to 355p amid vague adverse rumours relating to its future. Indesit, 15 higher at 245p, and Unigate shrank a penny to 233p and Hanover Investments 5 to the good at 230p.

In Financials, "call" option activity prompted support of Brinsford Investments, 15 higher at 170p. NMC Investments rallied 5 to 117p amid revived hopes of a sizeable asset injection.

Recognition scheme for Industry Year

A RECOGNITION scheme for successful collaboration between education and industry has been announced by Sir Geoffrey Cheshire, director of Industry Year.

The Royal Society for the encouragement of Arts, Manufactures and Commerce, the industry/trust investment trust, LASIMO, picked up well after the recent bout of selling pressure and closed 5 to the good at 93p while Bristol rose a similar amount to 145p. Tricentred added a few pence to 45p in front of the proposed restructuring of its North American operations.

Among secondary oils Charterhall were 2 up to 289 following shareholders' approval at 23p of a 10% cash offer. Further profit-taking left T. Marshall London 4 cheaper at 132p. Brumsons, in contrast, improved 3 more to 73p, compared with the 62p cash offer from Carko.

Motors rarely strayed from the overnight levels in the wake of Wall Street, recovered to close

Series	Aug.		Nov.		Feb.	
	Vol.	Loc.	Vol.	Loc.	Vol.	Loc.
CBD	520	10	32	11	—	—
CBD C	520	12	115	125	—	—
CBD S	520	14	125	125	—	—
CBD S C	520	15	125	125	—	—
CBD S P	520	16	125	125	—	—
CBD P	520	18	125	125	—	—
CBD P C	520	20	125	125	—	—
CBD P S	520	22	125	125	—	—
CBD S P C	520	24	125	125	—	—
CBD P S C	520	26	125	125	—	—
CBD P S C P	520	28	125	125	—	—
SPX C	520	30	420	420	—	—
SPX C P	520	32	420	420	—	—
SPX C P S	520	34	420	420	—	—
SPX C P S C	520	36	420	420	—	—
SPX C P S C P	520	38	420	420	—	—
SPX C P S C P S	520	40	420	420	—	—
SPX C P S C P S C	520	42	420	420	—	—
SPX C P S C P S C P	520	44	420	420	—	—
SPX C P S C P S C P S	520	46	420	420	—	—
SPX C P S C P S C P S C	520	48	420	420	—	—
SPX C P S C P S C P S C P	520	50	420	420	—	—
SPX C P S C P S C P S C P S	520	52	420	420	—	—
SPX C P S C P S C P S C P S C	520	54	420	420	—	—
SPX C P S C P S C P S C P S C P	520	56	420	420	—	—
SPX C P S C P S C P S C P S C P S	520	58	420	420	—	—
SPX C P S C P S C P S C P S C P S C	520	60	420	420	—	—
SPX C P S C P S C P S C P S C P S C P	520	62	420	420	—	—
SPX C P S C P S C P S C P S C P S C P S	520	64	420	420	—	—
SPX C P S C P S C P S C P S C P S C P S C	520	66	420	420	—	—
SPX C P S C P S C P S C P S C P S C P S C P	520	68	420	420	—	—
SPX C P S C P S C P S C P S C P S C P S C P S	520	70	420	420	—	—
SPX C P S C P S C P S C P S C P S C P S C P S C	520	72	420	420	—	—
SPX C P S C P S C P S C P S C P S C P S C P S C P	520	74	420	420	—	—
SPX C P S C P S C P S C P S C P S C P S C P S C P S	520	76</td				

NEW YORK STOCK EXCHANGE COMPOSITE PRICES

Prices at 3pm, July 9

Financial Times Thursday July 10 1960

Financial Times Thursday July 14 1999

Continued on Page 3

NYSE COMPOSITE PRICES

Continued from Page 34

Stock	No.	Yrs.	7/9	7/10	High	Low	Open	Prev. Day	Chg.
SOGO	32	12	120	120	120	120	120	120	+0
Pomeroy	33	12	120	120	120	120	120	120	+0
Potl	34	5.5	43	43	43	43	43	43	+0
PotmEx	35	6.5	13	13	13	13	13	13	+0
PotmEx	36	6.5	13	13	13	13	13	13	+0
PotmEx	37	6.5	13	13	13	13	13	13	+0
PotmEx	38	6.5	13	13	13	13	13	13	+0
PotmEx	39	6.5	13	13	13	13	13	13	+0
PotmEx	40	6.5	13	13	13	13	13	13	+0
PotmEx	41	6.5	13	13	13	13	13	13	+0
PotmEx	42	6.5	13	13	13	13	13	13	+0
PotmEx	43	6.5	13	13	13	13	13	13	+0
PotmEx	44	6.5	13	13	13	13	13	13	+0
PotmEx	45	6.5	13	13	13	13	13	13	+0
PotmEx	46	6.5	13	13	13	13	13	13	+0
PotmEx	47	6.5	13	13	13	13	13	13	+0
PotmEx	48	6.5	13	13	13	13	13	13	+0
PotmEx	49	6.5	13	13	13	13	13	13	+0
PotmEx	50	6.5	13	13	13	13	13	13	+0
PotmEx	51	6.5	13	13	13	13	13	13	+0
PotmEx	52	6.5	13	13	13	13	13	13	+0
PotmEx	53	6.5	13	13	13	13	13	13	+0
PotmEx	54	6.5	13	13	13	13	13	13	+0
PotmEx	55	6.5	13	13	13	13	13	13	+0
PotmEx	56	6.5	13	13	13	13	13	13	+0
PotmEx	57	6.5	13	13	13	13	13	13	+0
PotmEx	58	6.5	13	13	13	13	13	13	+0
PotmEx	59	6.5	13	13	13	13	13	13	+0
PotmEx	60	6.5	13	13	13	13	13	13	+0
PotmEx	61	6.5	13	13	13	13	13	13	+0
PotmEx	62	6.5	13	13	13	13	13	13	+0
PotmEx	63	6.5	13	13	13	13	13	13	+0
PotmEx	64	6.5	13	13	13	13	13	13	+0
PotmEx	65	6.5	13	13	13	13	13	13	+0
PotmEx	66	6.5	13	13	13	13	13	13	+0
PotmEx	67	6.5	13	13	13	13	13	13	+0
PotmEx	68	6.5	13	13	13	13	13	13	+0
PotmEx	69	6.5	13	13	13	13	13	13	+0
PotmEx	70	6.5	13	13	13	13	13	13	+0
PotmEx	71	6.5	13	13	13	13	13	13	+0
PotmEx	72	6.5	13	13	13	13	13	13	+0
PotmEx	73	6.5	13	13	13	13	13	13	+0
PotmEx	74	6.5	13	13	13	13	13	13	+0
PotmEx	75	6.5	13	13	13	13	13	13	+0
PotmEx	76	6.5	13	13	13	13	13	13	+0
PotmEx	77	6.5	13	13	13	13	13	13	+0
PotmEx	78	6.5	13	13	13	13	13	13	+0
PotmEx	79	6.5	13	13	13	13	13	13	+0
PotmEx	80	6.5	13	13	13	13	13	13	+0
PotmEx	81	6.5	13	13	13	13	13	13	+0
PotmEx	82	6.5	13	13	13	13	13	13	+0
PotmEx	83	6.5	13	13	13	13	13	13	+0
PotmEx	84	6.5	13	13	13	13	13	13	+0
PotmEx	85	6.5	13	13	13	13	13	13	+0
PotmEx	86	6.5	13	13	13	13	13	13	+0
PotmEx	87	6.5	13	13	13	13	13	13	+0
PotmEx	88	6.5	13	13	13	13	13	13	+0
PotmEx	89	6.5	13	13	13	13	13	13	+0
PotmEx	90	6.5	13	13	13	13	13	13	+0
PotmEx	91	6.5	13	13	13	13	13	13	+0
PotmEx	92	6.5	13	13	13	13	13	13	+0
PotmEx	93	6.5	13	13	13	13	13	13	+0
PotmEx	94	6.5	13	13	13	13	13	13	+0
PotmEx	95	6.5	13	13	13	13	13	13	+0
PotmEx	96	6.5	13	13	13	13	13	13	+0
PotmEx	97	6.5	13	13	13	13	13	13	+0
PotmEx	98	6.5	13	13	13	13	13	13	+0
PotmEx	99	6.5	13	13	13	13	13	13	+0
PotmEx	100	6.5	13	13	13	13	13	13	+0
PotmEx	101	6.5	13	13	13	13	13	13	+0
PotmEx	102	6.5	13	13	13	13	13	13	+0
PotmEx	103	6.5	13	13	13	13	13	13	+0
PotmEx	104	6.5	13	13	13	13	13	13	+0
PotmEx	105	6.5	13	13	13	13	13	13	+0
PotmEx	106	6.5	13	13	13	13	13	13	+0
PotmEx	107	6.5	13	13	13	13	13	13	+0
PotmEx	108	6.5	13	13	13	13	13	13	+0
PotmEx	109	6.5	13	13	13	13	13	13	+0
PotmEx	110	6.5	13	13	13	13	13	13	+0
PotmEx	111	6.5	13	13	13	13	13	13	+0
PotmEx	112	6.5	13	13	13	13	13	13	+0
PotmEx	113	6.5	13	13	13	13	13	13	+0
PotmEx	114	6.5	13	13	13	13	13	13	+0
PotmEx	115	6.5	13	13	13	13	13	13	+0
PotmEx	116	6.5	13	13	13	13	13	13	+0
PotmEx	117	6.5	13	13	13	13	13	13	+0
PotmEx	118	6.5	13	13	13	13	13	13	+0
PotmEx	119	6.5	13	13	13	13	13	13	+0
PotmEx	120	6.5	13	13	13	13	13	13	+0
PotmEx	121	6.5	13	13	13	13	13	13	+0
PotmEx	122	6.5	13	13	13	13	13	13	+0
PotmEx	123	6.5	13	13	13	13	13	13	+0
PotmEx	124	6.5	13	13	13	13	13	13	+0
PotmEx	125	6.5	13	13	13	13	13	13	+0
PotmEx	126	6.5	13	13	13	13	13	13	+0
PotmEx	127	6.5	13	13	13	13	13	13	+0
PotmEx	128	6.5	13	13</					

WALL STREET

Measure of stability resurfaces

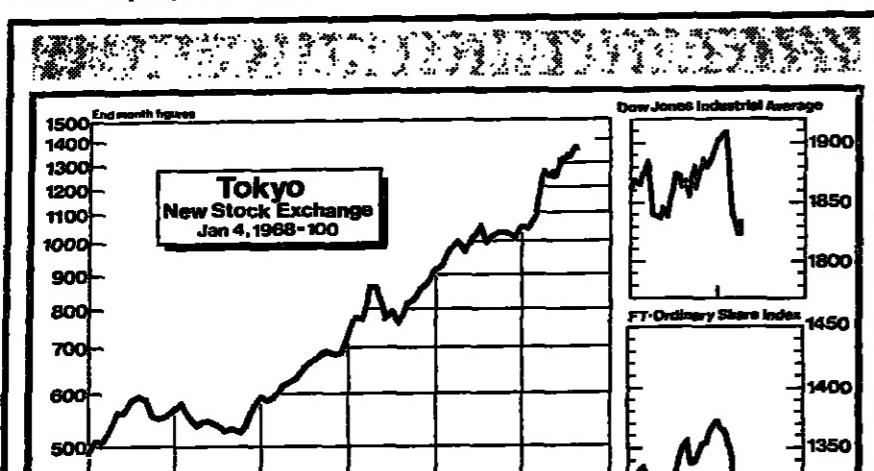
A MEASURE of stability surfaced on Wall Street yesterday after two confidence-shattering sessions, writes Paul Hannon in New York.

The fragile balance stemmed from the mixed performance of the dollar as investors waited for the conclusion of the two-day meeting of the Federal Reserve Board's policy-making Federal Open Market Committee which is set to determine short-term monetary policy.

The lingering hopes of a cut in the discount rate, the most favourable outcome of the FOMC meeting, kept spirits alive in the bond market where prices edged up 1/4 point. Remarks by Mr Donald Regan, White House chief of staff, that he would like to see the Fed lower the discount rate added support to market sentiment.

At 3pm the Dow Jones industrial average was up 4.64 at 1,825.37.

Among blue chips American Express lost 5/4% to \$58.4, General Motors held unchanged at \$75.5, and IBM, which is about to embark on a major price cutting spree, fell 5/4 to \$143.4 while International Paper gained 5/4 to \$85.4.



STOCK MARKET INDICES			
NEW YORK	July 9	Previous Year ago	
DIJ Industrials	1,825.37*	1,820.73 1,821.91	
DJ Transport	750.13*	752.50 668.54	
DJ Utilities	199.33*	198.23 166.70	
S&P Composite	242.81*	241.59 191.05	
LONDON			
FT Ord	1,331.5	1,317.7 923.1	
FT-SE 100	1,614.6	1,599.7 1,239.6	
FT-A All-share	799.80	795.05 584.0	
FT-A 500	877.29	871.24 644.34	
FT Gold mines	202.4	197.3 398.3	
FT-A Long gilt	9.32	9.31 10.47	
TOKYO			
Nikkei	17,505.11	17,734.15 13,027.6	
Tokyo SE	1,355.47	1,369.63 1,055.91	
AUSTRALIA			
All Ord.	1,122.3	1,125.2 902.3	
Metals & Mins.	494.5	488.3 528.7	
AUSTRIA			
Credit Aktien	236.09	240.10 97.77	
BELGIUM			
Belgian SE	3,706.30	3,710.0 2,339.99	
CANADA			
Toronto			
Metals & Mins	2,001.8*	1,989.7 1,839	
Composite	3,010.1*	2,957.9 2,727.3	
Montreal	Portfolio	1,516.34*	1,503.09 133.52
DENMARK	SE	213.63 216.56 205.29	
FRANCE			
CAC Gen	368.20	366.10 218.5	
Ind Tendance	143.30	141.30 79.6	
WEST GERMANY			
FAZ-Aktien	606.13	603.75 492.21	
Commerzbank	1,827.90	1,822.80 1,449.8	
HONG KONG			
Hang Seng	1,747.61	1,732.24 1,585.04	
ITALY			
Barca Comm.	703.63	709.05 346.01	
NETHERLANDS			
ANP-CBS Gen	290.30	289.50 218.0	
ANP-CBS Ind	289.10	288.80 183.3	
NORWAY			
Oslo SE	349.42	352.63 323.51	
SINGAPORE			
Strata Times	722.61	733.46 747.45	
SOUTH AFRICA			
JSE Golds	-	1,215.6 988.8	
JSE Industrials	-	1,189.0 1,007.7	
SPAIN			
Madrid SE	174.42	175.62 81.92	
SWEDEN			
J & P	2,462.58	2,476.61 2,185.32	
SWITZERLAND			
Swiss Bank Ind	545.30	548.80 466.30	
WORLD			
July 8	Prev	Year ago	
MS Capital Inc'l	354.7	326.7 218.8	
COMMODITIES			
(London)	July 9	Prev	
Silver (spot fixing)	334.30p	331.85p	
Copper (cash)	£873.75	£870.50	
Coffee (September)	£1,630.00	£1,645.50	
Oil (Brent blend)	£9.55	£9.70	
GOLD (per ounce)			
London	Jun 9	Prev	
Zürich	£347.75	£347.25	
Paris (fwdng)	£348.25	£347.25	
Luxembourg	£349.99	£348.67	
New York (Aug)	£349.70	£351.20	

* Latest available figures

A less vulnerable dollar helped to reverse some of the sharp losses suffered by the pharmaceutical sector on Tuesday. Up John jumped 5/4 to \$88.4. Abbott Laboratories recovered \$1 to \$49.4 and SmithKline Beckman at \$97.4 was 5/4 higher. Merck, however, continued to lose ground with its 5/4 drop to \$99.4.

The stores sector was again a focus of buying. The \$58-a-share bid by Dart for Safeway, the largest grocery chain in the US, merited the former a 5/4 rise to \$149.4 in over-the-counter trading and the latter 5/4 to \$57.4 on the New York Stock Exchange.

Panhandle Eastern, the natural gas pipeline operator, gained 5/4 to \$49 after the board rejected Wagner & Brown's \$2.5bn takeover offer as inadequate.

Media issues were another feature as CBS reversed an early fall of 5/4 to \$26.4 after the three-month Treasury bill down 6 basis points to 5.89 per cent while the six-month bill lost 7 basis points to 5.92 per cent. The one-year bill fell 2 basis points to 5.96 per cent.

Federal funds opened at 6.4 per cent and later dipped to 6.41/4.

Rates on Treasury bills fell with the three-month Treasury bill down 6 basis points to 5.89 per cent while the six-month bill lost 7 basis points to 5.92 per cent. The one-year bill fell 2 basis points to 5.96 per cent.

Republic BNK dipped 5/4 to \$26.4 after showing a plunge in second-quarter profits while United Technologies extended early losses to trade 5/4 down at \$45.4 on expectations of a \$155m second-quarter charge for Radar System losses.

Mead, among active paper-related issues, fell an early 5/4 to 48.4 despite higher second-quarter earnings. James River advanced 5/4 to \$26.4 in response to its decision to sell its Zellerbach Distribution unit to Mead.

Trading began on the NYSE of Bernd Chaus, the women's clothing group, with a sharp 8d gain to \$23 from the initial offering price of \$17 a share.

On the American Stock Exchange, Harley-Davidson's first full session took the related motorcycle group 5/4 higher to \$12.4.

The bond market regained its composure ahead of the outcome of the Fed's monetary policy meeting. The Treasury's key long bond, the 7½ per cent of 2016, recovered 1½ of Tuesday's sharp fall to 100½ to yield 7.16 per cent while the 9½ of 2018 rebounded by almost a full point to 119 to yield 7.81 per cent.

The 7½ of 1986 jumped 5/4 point to 100½ to yield 7.33 per cent.

Federal funds opened at 6.4 per cent and later dipped to 6.41/4.

Rates on Treasury bills fell with the three-month Treasury bill down 6 basis points to 5.89 per cent while the six-month bill lost 7 basis points to 5.92 per cent. The one-year bill fell 2 basis points to 5.96 per cent.

Federal funds opened at 6.4 per cent and later dipped to 6.41/4.

Rates on Treasury bills fell with the three-month Treasury bill down 6 basis points to 5.89 per cent while the six-month bill lost 7 basis points to 5.92 per cent. The one-year bill fell 2 basis points to 5.96 per cent.

Republic BNK dipped 5/4 to \$26.4 after showing a plunge in second-quarter profits while United Technologies extended early losses to trade 5/4 down at \$45.4 on expectations of a \$155m second-quarter charge for Radar System losses.

Mead, among active paper-related issues, fell an early 5/4 to 48.4 despite higher second-quarter earnings. James River advanced 5/4 to \$26.4 in response to its decision to sell its Zellerbach Distribution unit to Mead.

OVERNIGHT PLUNGES in New York and London sent share prices down sharply in Tokyo yesterday with blue chips leading the decline, writes Shigeo Nishikawa of *Yomiuri Shimbun*.

In the depressed market, low-priced, large-capital issues such as Ishikawajima-Harima Heavy Industries and Nippon Kokan continued to attract buyers.

The Nikkei stock average lost 245 at one stage in the afternoon but finished 228.04 down at 17,506.11. Active trading in big-capital issues and panic selling swelled volume to 1,279.03m shares from Tuesday's 910.27m.

Losers far outstripped gainers by 650 to 248, with 95 issues unchanged. The number of declining issues was the second largest this year, after the 673 issues recorded on May 16.

Sharply falling share prices in New York and London came as a shock to many investors who had been preoccupied with the recent price advance.

The tumble was triggered by a bout of panic selling of export-related blue chips in the electrical machinery, precision instruments and automobile sectors. On dumping due to the yen's rising trend against the US dollar and lower share prices abroad, Hitachi shed Y17 to Y79.3, breaking through the immediate resistance level of Y800.

Other blue chips to lose were Matsushita Electric Industrial, down Y80 at Y1,290, Sony, down Y150 at Y1,030, Nippon Kokagu, down Y35 at Y985, and Honda Motor, down Y60 at Y1,050.

Construction stocks, which had climbed on expectations of expanded public investment, eased on a broad front. Ohbayashi slipped Y19 to Y594, Daisue Construction Y1 to Y484 and Kajima Y6 to Y671.

Elsewhere, real estate, trading house and textile issues fell sharply, but fishery stocks gained ground. Kyokujo moved its maximum Y80 up to Y36 on rumours of cornering. Taiyo Fishery firm Y22 to Y405 and Nippon Suisan Y15 to Y50.

Among the low-priced, large-capital issues favoured, Nippon Kokan topped the list of 10 most active stocks with 235.82m shares, gaining Y9 to Y20. Nippon Steel came second on the list with 149.82m shares and added Y6 to Y18.7. Ishikawajima-Harima Heavy Industries ranked third with 98.58m shares, firming Y9 to Y15.

Nomura Securities had an overwhelming share of trading in Nippon Kokan and Ishikawajima-Harima Heavy Industries. The broker sold 128.02m shares and bought 106.69m shares in the former company and sold 51.98m shares and bought 65.89m shares in the latter.

Kawasaki Steel and Sunntomo Metal Industries also rose Y7 and Y3 respectively, to Y189 and Y162.

The bond market tumbled in thin trading in response to an overnight plunge of bond prices in New York. The yield on the bellwether 6.2 per cent government bond due in July 1985 rose to 4.710 per cent from Tuesday's 4.680 per cent.

The yield on the quasi-benchmark 5.1 per cent government bond due in June 1996 also advanced to 5.000 per cent at one stage from Tuesday's 4.980 per cent before closing at 4.990 per cent.

Cash bonds suffered small-lot selling as the bond futures price for September delivery once again fell below Y103 to Y102.83, down Y0.24 from the previous day's close. The fall was attributed to speculation that prospects of a cut in the US Federal Reserve discount rate have receded.

BUYING INTEREST remained thin in Hong Kong, and shares closed slightly lower in quiet and dull activity.

The Hang Seng index lost 4.63 to 1,747.61. Brokers reported that overseas institutions continued to sell in the morning and that buy-orders from local investors helped the market to stage a partial recovery towards the close.

Cheung Kong was unchanged at HK\$20.50 as was HK Land at HK\$5.80, but New World dropped 5 cents to HK\$6.

The stock exchange, previously limited to half-day sessions on Wednesdays, yesterday began full-day trading.

Trading began on the NYSE of Bernd Chaus, the women's clothing group, with a sharp 8d gain to \$23 from the initial offering price of \$17 a share.

On the American Stock Exchange, Harley-Davidson's first full session took the related motorcycle group 5/4 higher to \$12.4.

The bond market regained its composure ahead of the outcome of the Fed's monetary policy meeting.

Harley-Davidson's key long bond, the 7½ per cent of 2016, recovered 1½ of Tuesday's sharp fall to 100½ to yield 7.16 per cent while the 9½ of 2018 rebounded by almost a full point to 119 to yield 7.81 per cent.

The 7½ of 1986 jumped 5/4 point to 100½ to yield 7.33 per cent.

Federal funds opened at 6.4 per cent and later dipped to 6.41/4.

Rates on Treasury bills fell with the three-month Treasury bill down 6 basis points to 5.89 per cent while the six-month bill lost 7 basis points to 5.92 per cent. The one-year bill fell 2 basis points to 5.96 per cent.

Federal funds opened at 6.4 per cent and later dipped to 6.41/4.

Rates on Treasury bills fell with the three-month Treasury bill down 6 basis points to 5.89 per cent while the six-month bill lost 7 basis points to 5.92 per cent. The one-year bill fell 2 basis points to 5.96 per cent.

Republic BNK dipped 5/4 to \$26.4 after showing a plunge in second-quarter profits while United Technologies extended early losses to trade 5/4 down at \$45.4 on expectations of a \$155m second-quarter charge for Radar System losses.

Mead, among active paper-related issues, fell an early 5/4 to 48.4 despite higher second-quarter earnings. James River advanced 5/4 to \$26.4 in response to its decision to sell its Zellerbach Distribution unit to Mead.

OVERNIGHT PLUNGES in New York and London sent share prices down sharply in Tokyo yesterday with blue chips leading the decline, writes Shigeo Nishikawa of *Yomiuri Shimbun*.

In the depressed market, low-priced, large-capital issues such as Ishikawajima-Harima Heavy Industries and Nippon Kokan continued to attract buyers.

The Nikkei stock average lost 245 at one stage in the afternoon but finished 228.04 down at 17,506.11. Active trading in big-capital issues and panic selling swelled volume to 1,279.03m shares from Tuesday's 910.27m.